SILVER PREDATOR CORP.
(FORMERLY PLATORO WEST HOLDINGS INC.)

MANAGEMENT DISCUSSION & ANALYSIS

FOR THE YEAR ENDED May 31, 2011

Set out below is a review of the activities, results of operations and financial condition of Silver Predator Corp. ("SPD", "Silver Predator", or the "Company") and its subsidiaries for the three and twelve months ended May 31, 2011. The discussion below should be read in conjunction with the Company's May 31, 2011 audited consolidated financial statements and related notes, and with the Company's audited consolidated financial statements and related notes for the year ended May 31, 2010, which were prepared in accordance with Canadian generally accepted accounting principles. The accounting policies have been consistently followed in preparation of these financial statements. All dollar figures included in the following Management Discussion and Analysis ("MD&A") are quoted in Canadian dollars unless otherwise indicated. This MD&A is prepared as of August 25, 2011.

The Company is a reporting issuer in the Provinces of British Columbia, Alberta, and Ontario in Canada and is listed on the Toronto Stock Exchange under the symbol SPD.

Additional information related to the Company, including its Annual Information Form is available on SEDAR at www.sedar.com.

The Company's website is www.silverpredator.com

1. BACKGROUND AND CORE BUSINESS

Silver Predator's corporate mandate is to explore and develop commercially viable silver resources in the leading silver districts of Nevada, USA and Yukon, Canada. The Company acquired interests in 21 advanced stage and development mineral properties comprising over 39,000 hectares in Nevada and Yukon in a series of transactions that led to its TSX listing, and has recently acquired the Illinois Creek property in Alaska, and the Hy, Flip and Rusty properties in the Yukon.

The Company controls the Taylor silver deposit in Ely, Nevada, which hosts a NI 43-101 compliant mineral resource estimate, as well as the highly prospective Plata project in Yukon. Working within stable geopolitical jurisdictions, Silver Predator is focused on silver-dominant bulk tonnage and/or high grade opportunities. Proven management plus access to unparalleled geological talent in the Yukon and extensive experience in Nevada provide the ability to maximize shareholder value from the quality asset base.

The Company was incorporated pursuant to the British Columbia Business Corporations Act on May 16, 2006 and commenced operations on June 1, 2006. The Company has four active subsidiaries, PWH Nevada Inc., (incorporated in July, 2007 to carry out U.S. Operations), Silver Predator Canada Corp .(incorporated October 2010 to hold properties acquired in Canada), Silver Predator US Holding Corp. (incorporated November 2010 to act as a holding company for acquisitions in the U.S.), and Silver Predator Alaska Corp. (incorporated June 2011 to hold properties acquired in Alaska).

2. COMPANY HIGHLIGHTS

- Changed name to Silver Predator Corp.
- Closed $2,610,000 of flow–through common share financing, and private placements totaling $5,841,840 since June 1, 2010.
- Acquired a high quality portfolio of Silver assets in Yukon and Nevada in transactions leading to TSX listing.
- Acquired Illinois Creek property in Alaska, and Hy, Flip and Rusty Properties in Yukon.
- Reported drilling results from its Taylor property in Nevada.
- Commenced drilling at Plata Project in Yukon.
- Sold non-core 1794298 Ontario Inc. subsidiary.

3. CORPORATE DEVELOPMENTS AND SIGNIFICANT TRANSACTIONS AND FACTORS AFFECTING RESULTS OF OPERATIONS

Changes to Management and the Board

W. Douglas Eaton was appointed to the Board of Directors in March 2011. Mr. Eaton is the President, CEO and a director of Strategic Metals Ltd. Mr. Eaton is also the President and sole owner of Archer, Cathro & Associates (1981 Limited). Mr. Eaton has served as a director and officer of numerous public companies on the TSX-V since the mid-1980s. Mr. Eaton holds a BA degree from the University of Alberta and a BSc degree in Geology from the University of British Columbia.

Robert C. Carne was appointed to the Board of Directors in March 2011. Mr. Carne is the President and a Director of ATAC Resources Ltd. (TSX-V: ATC), which recently discovered the Rau gold property in the Yukon Territory. Mr. Carne is a Professional Geoscientist and holds BSc and MSc degrees (Geology) from the University of British Columbia. Mr. Carne has been a geologist with Archer, Cathro & Associates since 1977 and was a principal from 1981 to 2002. Mr. Carne has been actively involved in mineral exploration, principally in the Yukon, since 1972, and has authored or co-authored several technical papers on Yukon mineral deposits. Mr. Carne is also President and a Director of Rockhaven Resources Ltd.

Piers McDonald was appointed to the Board of Directors in December 2010. Mr. McDonald is the former Premier of the Yukon who served as a Member of the Legislative Assembly from 1982 to 1996, where his portfolios included Minister of Economic Development, Mines & Small Business, Education, Finance and Workers' Compensation before serving as Premier from 1996 to 2000. Mr. McDonald founded and serves as Chairman of the Northern Vision Development Corporation, a leading land developer in the Yukon. Mr. McDonald also serves as Chairman of the Yukon Energy Corporation, as Vice Chairman on the Canada Games Council, and serves on the Board of Directors for Northwestel Inc. and Golden Predator Corp. Mr. McDonald was inducted into the Order of Canada for his leadership in economic development in Canada's North.

Blair M. Shilleto was appointed to the Company's board of directors in July 2011. Mr. Shilleto has been involved in the mining, tunnelling and construction industry throughout North America since 1976 when he began his career working for United Keno Hill Mine in Yukon, Canada. Mr. Shilleto formed and led his own tunnel/mine contract company in a joint venture capacity, setting up projects in logistically challenging environments, including British Columbia, the Northwest Territories, and Alaska. Mr. Shilleto has managed projects for notable clients such as Cameco Corp., Canamax Resources Inc., Cordilleran Engineering Ltd., Geddes Resources Ltd., Minnova Inc., Peter Kiewit & Sons Inc., Westmin Resources Ltd., Whitewater Engineering Corp., and United Keno Hills Mines Ltd. Mr. Shilleto has acted as a self-employed consultant to the mining contract and exploration industry and an advisor to the resource investment sector for European-based resource asset managers since 2006. Mr. Shilleto is originally from Mayo, Yukon, is a member of the First Nation of Na-Cho Nyak Dun, and is a member of the Board of Directors of Golden Predator Corp. and Redtail Metals Corp.

William M. Sheriff, the Company's Chairman, was appointed Chief Executive Officer in May 2011. An entrepreneur and visionary with over 30 years mineral exploration experience, Mr. Sheriff is now committed to leading the new Yukon gold rush. The founder of Golden Predator Corp. and co-founder of Silver Predator Corp., Mr. Sheriff was a pioneer in the uranium renaissance and as Chairman of Energy Metals Corp., was responsible for compiling the largest domestic uranium resource base in US history. Mr. Sheriff is Chairman of the Predator Group and its member companies and is also a Director of Western Lithium Corporation. Mr. Sheriff owns one of the largest privately held mining databases in the world.

John W. Legg, Director, was appointed President in May 2011. Mr. Legg has been a Director of the Company since March 2009, and as co-founder was instrumental in the formation of Silver Predator. Mr. Legg is also President and Director of Golden Predator Corp. and serves as President and Managing Director of the Predator Group of Companies. Mr. Legg has a proven track record in the mining industry, with over 15 years' experience with public resource companies: from 1994 through 2006 Mr. Legg was a securities lawyer in private practice, advising companies in natural resources, securities and corporate finance law, and from 2007 to 2009 Mr. Legg was Executive Vice-President of a private mining company operating in Mexico. Mr. Legg holds a BA from the University of British Columbia and an LLB from Dalhousie Law School.

Farrell Andersen, the Company's Senior Geologist, was promoted to the position of Yukon Exploration Manager in July 2011. Mr. Anderson brings over twenty years' of international and Yukon-specific mineral exploration experience to Silver Predator. In the Yukon he has worked with Loki Gold Corp. and Viceroy Gold Corporation on the Brewery Creek Project, in addition to other clients including Kennecott Canada Exploration Inc., the Yukon Geological Survey, Aurora Geoscience as well as for the Tr'ondek Hwech'in First Nation in the mineral assessment of their settlement lands. Mr. Anderson brings a wealth of firsthand knowledge of numerous Yukon properties including the Company's Blue Heaven (Rancheria District) Project. Mr. Andersen has worked in the mineral exploration business since 1989 and is one of only two prospectors to explore and hold claims in the White Gold area since 1990. Mr. Anderson holds a BSc in Geology from the University of British Columbia.

Corwin Coe served as Chief Executive Officer and President from November 2010 to May 2011 and Lou Lepry served as President and CEO from June 2010 until November 2010.

Mineral Property Acquisitions and Staking

Taylor, Plata, Rancheria and other Yukon properties

In December, 2010, the Company signed definitive agreements with Golden Predator Corp. ("Golden Predator"), Rockhaven Resources Ltd. ("Rockhaven") and Strategic Metals Ltd. ("Strategic"), to acquire 20 predominantly silver exploration and development properties located in Yukon, Nevada, Mexico and British Columbia (the "Transactions") as contemplated by a Letter of Intent entered into in July 2010. The Transactions closed March 14, 2011. The agreements were amended on March 28, 2011 to deal with non-material changes.

Transactions with Golden Predator

The Company has acquired significant silver projects in Nevada and Mexico from Golden Predator and its subsidiaries:

- Golden Predator granted the Company an option to acquire a 100% interest in 261 unpatented mining claims and 4 patented mining claims located in White Pine County, Nevada, known as the Taylor Property, subject to certain royalty interests further described below. The Taylor Property includes a NI 43-101 compliant resource of 14.9 MM oz Ag from measured and indicated mineral resources of 6,433,000 tons grading 2.31 oz/t Ag and 1.9 MM oz Ag from an inferred mineral resource of 757,000 tons grading 2.54 oz/t Ag (using a 1.2 oz/t Ag cutoff grade: Hester, 2009). The option is structured as a purchase of the shares of Fury Explorations Ltd. ("Fury Canada"), which in turn owns all of the shares of Anglo Nevada Metals Corporation ("Anglo Nevada"). Anglo Nevada owns the Taylor Property. As consideration for this option, the Company has paid Golden Predator $1.00. To exercise this option, the Company must issue, in stages, a minimum of 12,000,000 additional Common Shares having a minimum aggregate value of $8,214,000 (all dollar amounts are in Canadian Currency) but subject to a maximum of 18,463,333 shares. 1,000,000 shares were issued on closing of the agreement. On exercise of this option the Company will grant to Golden Predator a 2% net smelter royalty ("NSR") on all precious metals and 1% NSR on all other metals, except for metals extracted from claims subject to pre-existing royalties on which Golden Predator will receive a 1% NSR on precious metals and 0.5% NSR on all other metals.

- The Company has also acquired, through Anglo Nevada, a 10 year right to earn a 50% interest in the Taylor Mill Facility from Taylor Mining Corp. ("Taylor Mining"), a wholly-owned subsidiary of Golden Predator. The Taylor Mill Facility comprises five mill site claims and the 1,320 ton per day mill complex located thereon. The mill complex includes primary, secondary and tertiary crushers, eight ball mills, a leaching and counter-current decant thickening circuit, Merrill Crowe equipment, a flotation circuit, a maintenance shop, an assay office, an electrical substation and a mine office. To earn its 50% interest Anglo Nevada must incur rehabilitation expenditures, invest operating capital or pay to Taylor Mining (or some combination of the foregoing) an amount equal to the fair market value of the Taylor Mill Facility (or, to the extent that cash payments are made to Taylor Mining, an amount equal to 50% of the rehabilitated fair market value). On Anglo Nevada acquiring a 50% interest in the Taylor Mill Facility, Anglo Nevada and Taylor Mining will enter into a joint venture agreement to operate the Taylor Mill facility.

- The Company has also acquired, through its wholly-owned subsidiary Silver Predator US Holding Corp. ("SPUS"), the Treasure Hill and Silver Bow Properties located in White Pine & Nye Counties, Nevada from Golden Predator US Mines Inc. (a wholly-owned subsidiary of Golden Predator) ("GPUS") and, through the acquisition of Fury Exploration (Mexico) S. de R.L. de C.V. ("Fury Mexico"), the Magistral property located in Jalisco State, Mexico, for an aggregate of 4,000,000 Common Shares. The Treasure Hill Property consists of 232 patented and unpatented mining claims which are 100% owned by Golden Predator, and which are subject to existing NSR royalties of between 2% and 3%. GPUS will retain a 1% net profits interest ("NPI") on SPUS' interest in the Treasure Hill Property. The Silver Bow Property consists of lease rights in 73 unpatented lode mining claims. The underlying owners of the Silver Bow Property retain a 3% NSR. GPUS will retain a 1% NPI on SPUS' interest in the Silver Bow Property, unless SPUS exercise its right to purchase the existing NSR, in which case GPUS will be granted a 1% NSR on all precious metals and 0.5% NSR on all other metals. Fury Mexico owns 100% of the Magistral Property, with Southern Silver Exploration Corp. ("Southern") holding an option to acquire a 65% interest in the Magistral Property. Provided that Southern exercises its option, Golden Predator will retain a 1% NPI on Fury Mexico's interest in the Magistral Property. In the event that Southern drops its option, Fury Mexico will grant Golden Predator a 2% NSR on all precious metals and 1% NSR on all other metals on the Magistral Property.

Transactions with Rockhaven

The Company has acquired significant silver projects in Yukon from Rockhaven:

- Rockhaven has granted the Company's wholly-owned subsidiary Silver Predator Canada Corp. ("SPCC") an option to acquire a 100% interest in 280 quartz mining claims located in the Mayo Mining District, Yukon and known as the Plata Project. A total of 35 silver+lead+/-gold-bearing vein and bulk tonnage zones have been discovered to date on the Plata Project, and many prospective geochemical and geophysical anomalies are undrilled. In the 1980's production at Plata totaled 290,000 oz Ag from high-grade vein material extracted from shallow open cuts. Numerous similarities exist between the silver-lead veins discovered at Plata and those found in the Keno Hill Silver District, Canada's second largest historic primary silver camp, located 140 km to the west. As consideration for this option, the Company has delivered to Rockhaven 500,000 Common Shares. To exercise this option, the Company must deliver, in stages, a minimum of 5,500,000 additional Common Shares having a minimum aggregate value of $3,627,000 but subject to a maximum of 8,731,667 shares. On exercise of this option, SPCC will grant to Rockhaven a 2% NSR on all precious metals and 1% NSR on all other metals.

- The Company has also acquired, through SPCC, a 100% interest in four separate prospective mineral properties represented by 224 quartz mining claims located in the Watson Lake and Mayo Mining Districts, Yukon, including the Groundhog, Cyr and Grayling carbonate replacement deposit targets and the Zap Project located 16 km northwest of ATAC Resources Ltd.'s Rau Project. As consideration, the Company has delivered to Rockhaven 2,000,000 Common Shares. Rockhaven will retain a 2% NSR on all precious metals and 1% NSR on all other metals.

Transactions with Strategic

The Company has acquired significant silver projects in Yukon from Strategic:

- Strategic has granted SPCC an option to acquire a 100% interest in 256 quartz mining claims located in the Rancheria Silver-Lead-Zinc District which straddles the British Columbia/Yukon border individually known as the Quarterback, Blue Heaven and Ranch Properties and collectively known as the Rancheria property. As consideration for this option, the Company has delivered to Strategic 500,000 Common Shares. To exercise this option, the Company must deliver, in stages, a minimum of 5,500,000 additional Common Shares having a minimum aggregate value of $3,627,000 but subject to a maximum of 8,731,667 shares. On exercise of this option, SPCC will grant to Strategic a 2% NSR on all precious metals and 1% NSR on all other metals.

- The Company has also acquired, through SPCC, a 100% interest in eight separate prospective mineral properties represented by 145 quartz mining claims located in the Watson Lake and Mayo Mining Districts, Yukon and the Liard Mining Division, British Columbia, including the Touchdown, Pigskin, and Shar Properties. As consideration, the Company has delivered to Strategic 2,000,000 Common Shares. Strategic will retain a 2% NSR on all precious metals and 1% NSR on all other metals.

Detailed information in respect of the properties acquired can be found in the Company's Principal Listing Document which was included in a Material Change Report filed on SEDAR on April 4, 2011.

Hy, Flip and Rusty Properties

In April 2011 the Company entered into agreements with Strategic Metals Ltd. (TSX-V: SMD) ("Strategic") and ATAC Resources Ltd. (TSX-V: ATC) ("ATAC") whereby it can earn a 100% interest in any or all of the Hy, Flip and Rusty Silver Properties, subject to a 2% NSR.

Rusty Property

The Rusty Property is adjacent to the northern edge of ATAC's Rackla (RAU) Gold project where numerous carbonate replacement showings occur as well as newly identified Carlin-style mineralization at the Osiris prospect. The Property is located 110 km northeast of Mayo, Yukon and comprises 344 quartz claims optioned from Strategic and 73 quartz claims optioned from ATAC, encompassing a total of 8,779 ha. The claims cover Upper Proterozoic to Devonian quartzites, carbonates and siltstones of the MacKenzie Platform and the Selwyn Basin which host silver, lead, and zinc vein and carbonate replacement styles of mineralization.

Historical work at the Rusty Property includes mapping, prospecting, geochemistry, geophysical surveys, trenching and diamond drilling. This work identified eleven showings within the current boundaries of the Property. Chip and float samples collected from these showings have returned maximum results of 8,854.7 g/t silver and 76.36% lead from veins within limey siltstones, and 542.7 g/t silver, 43.8% lead and 5.83% zinc from veins within dolomite. Where in contact with mafic sills, the veins carry significant chalcopyrite and tetrahedrite with values up to 5.32% copper.

Drilling in 1983 by Prism Resources Ltd. established the potential of the Property with sixteen diamond drill holes at the Siltstone Showing, a northeasterly trending fracture system. Prism estimated a block of 19,954 t grading 1,027.4 g/t silver, 26.7% lead and 7.3% zinc over an average width of 2.04 m.

Resource estimates quoted herein are based upon reports prepared by previous operators. The Company has not completed the work necessary to verify the classification as mineral resource estimates. While the Company believes the resource estimate to be relevant, it is not treating the mineral resource estimates as NI 43-101 defined resources verified by a qualified person and they should not be relied upon.

Hy and Flip Properties

The road accessible Hy Property consists of 347 contiguous quartz claims covering 7,250 ha located 130 km north of the town of Watson Lake, Yukon. Numerous showings host silver, lead, zinc ± tungsten mineralization in skarnified sediments near intrusive contacts. Surface sampling from trenching has returned values including 684.0 g/t silver, 9.20% zinc and 11.01% lead over 1.83 m.

The most recent work, completed in 2007 for Strategic, involved a helicopter borne VTEM/Magnetic survey over the entire Property, property-wide rock sampling of mineralized zones, and a soil geochemical grid over the underexplored Elsa Zone. The VTEM/Magnetic survey outlined four areas for ground follow-up, and the soil geochemical grid outlined a 1.5 km long coincident silver, lead and zinc anomaly open along trend to the northwest and several smaller clusters of silver, lead and zinc anomalies that are open along trend to the southeast.

The Flip Property consists of 20 contiguous quartz claims covering 418 ha located 120 km north of Watson Lake, Yukon. Silver, lead, zinc ± copper ± tungsten mineralization has been located in bulldozer trenches and diamond drill holes in skarnified quartzite. Strategic staked the Property in July 2009 to cover the known and potential extension to this mineralization. Sampling of mineralization in the trenches by Cominco in 1976 returned grades of 476.6 g/t silver, 20.50% lead, 19.60% zinc, 3.04% copper and 0.73% tungsten over a width of 1.3 m.

Geology mapped on the two properties consists of Cambrian to Mississippian carbonates, siltstones and quartzites of the Selwyn Basin, which are intruded by Cretaceous Selwyn Suite plutons. The Hy and Flip Properties host skarn and vein mineralization that is similar to mineralization found at the former Sa Dena Hes mine near Watson Lake.

Intermittent exploration since the 1960's on the Hy and Flip Properties includes geophysical surveys, trenching, soil geochemistry, petrographic studies and drilling.

Exploration Plans

The Company plans to complete a program of detailed mapping and further geochemical surveying on the Hy, Flip and Rusty properties in order to select specific targets to be tested for drilling later in the 2011 season or early in the 2012 season.

Illinois Creek

In June 20, 2011 the Company entered into an option agreement to acquire a 100%-interest in 125 State of Alaska mining claims comprising the Illinois Creek silver-gold district located in west-central Alaska, subject to a 2.0% NSR royalty on precious metals and a 1.0% NSR royalty on base metals in favor of the optionor. One percent of the 2.0% precious metals royalty can be purchased by the Company for US$3,000,000.

The past-producing Illinois Creek Mine lies in the southern Kaiyuh Mountains in west-central Alaska about 30 kilometers east of the Yukon River and the small village of Kaltag and 90 kilometers south of the town of Galena. Between 1997 and 2004, approximately 144,000 oz of gold and 755,000 oz of silver was produced at a seasonal, run-of-mine heap leach operation constructed by USMX/Dakota Mining. The mine-site is supported by air with an airstrip capable of accommodating Hercules-sized aircraft. The Illinois Creek operation proper has been reclaimed to State of Alaska standards. A 60- person camp remains onsite.

Over 500 drill holes have defined precious metal mineralization along a 10 km x 2 km structural corridor developed in a metamorphosed Ordovician-age sedimentary package. Ongoing compilation of the +20 years of exploration and development data within the district highlights the potential for significant polymetallic (silver-gold-lead-zinc-copper) replacement mineralization as well as porphyry copper-gold mineralization.

Exploration Plans

The Company is currently evaluating existing data with a view to formulating an exploration program for the property.

Other staking

The Company has an ongoing Yukon claim staking program focused on properties close to known productive areas.

Financings

On September 21, 2010 the Company closed a non-brokered private placement to raise gross proceeds of $1,868,940. The Company issued a total of 5,191,500 units at a price of $0.36 per Unit. Each Unit consists of one common share of the Company and one half of one share purchase warrant. Each full Warrant entitles the holder to purchase one additional Share at a price of $0.50 until September 21, 2011.

On September 29, 2010 the Company closed a non-brokered private placement to raise gross proceeds of $400,000. The Company issued a total of 1,000,000 units at a price of $0.40 per Unit. Each Unit consists of one common share of the Company and one half of one share purchase warrant. Each full Warrant entitles the holder to purchase one additional Share at a price of $0.55 until September 29, 2011.

On November 17, 2010 and November 27, 2010, the Company closed a non-brokered private placement to raise gross proceeds of $3,572,900. The Company issued a total of 5,104,143 common shares at a price of $0.70 per Common Share.

On December 23, 2010, the Company closed a non-brokered private placement to raise gross proceeds of $2,610,000. The Company issued a total of 2,610,000 flow-through common shares at a price of $1.00 per common share.

The proceeds from these private placements will be used for exploration and development of the Company's mineral properties and for general working capital purposes.

Sale of non-core assets

On October 20, 2010 the Company sold its subsidiary, 1794298 Ontario Inc. for the sum of $300,000, of which $100,000 was paid in cash and the remaining $200,000 in the form of a promissory note repayable in annual installments of $100,000, $100,000 of which has been received to date. 1794298 Ontario Inc. is the holding company of Eucan Minas S.A de C.V, a Mexican exploration company that has accumulated tax losses and a VAT receivable. The purchaser has agreed to recompense the Company for an amount equal to 85% of any VAT recovered.

4. DEVELOPMENT AND OPERATIONS REVIEW

The Company continued the process of evaluating properties for potential acquisition and entered into agreements to acquire the Hy, Flip, and Rusty properties from Strategic and ATAC. The Company also acquired the Illinois property.

Taylor Property

The Company completed its 2011 35 hole drilling program in August 2011. A total of 3,528 meters of angled RC holes were drilled to test for higher grade feeder veins as well as to expand the current mineral resource. Highlights from the first twenty-five holes include SPT11-004 averaging 37 g/t silver over 36.6 m, SPT11-017 assaying 35.3 g/t silver over 27.4 m, SPT11-001 averaging 57.8 g/t silver over 18.3 m, and SPT11-015 assaying 67 g/t silver over 13.7 m. Highlights from the remaining ten holes include SPT11-027 with 42.67 m of 100.25 g/t silver from a depth of 67.05 m, SPT11-031 with 7.62 m of 104.2 g/t silver from a depth of 4.57 m; and 6.1 m of 111.75 g/t silver from a depth of 44.19 m, SPT11-034 with 27.43 m of 96.5 g/t silver from surface, and SPT11-035 with 13.72 m of 134.78 g/t silver from a depth of 38.1m.

The drilling program extended stratabound silver mineralization to the northeast of the currently defined resource and extended the mineralization at depth and along strike in the Bishop and Argus pit areas. Notably, holes SPT11-026 and SPT11-027 both bottomed in mineralization. The Company plans to remodel the existing data on Taylor, to assist in future drill programs with the goal of preparing an updated resource estimate in Q2, 2012.

The next phase of drilling will concentrate on extending the stratabound northeast zone as well as testing feeder structures beneath the Argus and NE pits. In addition, the Company plans to conduct first phase drilling of the Chipps and Antimony Pit prospects, both of which feature jasperoid hosted gold-antimony mineralization lying adjacent to the existing silver resources at Taylor.

The Chipps deposit was drilled by Alta Gold and Nerco in the early 1990's and a small, non-NI 43-101 compliant resource was defined by over fifty shallow RC drill holes. The gold occurs at the contact between the Joanna Limestone and the underlying Pilot shale, the same host rocks as seen at numerous mines in east-central Nevada including Bald Mountain, Easy Junior and Pan. The favorable horizon for the jasperoid hosted silver deposits at Taylor has not been tested at the Chipps and Antimony prospects, and may host additional mineralization beneath the gold bearing stratigraphy.

The Taylor silver deposit is an epithermal, high-silica, low-sulfide replacement deposit hosted by folded and faulted Devonian carbonate rocks of the Pilot Shale, Guilamette, and Joana formations intruded by Tertiary rhyolite dikes and sills. The Taylor property includes a National Instrument 43-101 compliant resource consisting of 1,123,000 tonnes of 85.71 g/t silver measured mineral resource, and 4,712,000 tonnes of 77.83 g/t Ag indicated mineral resource totalling 14.9 million ounces contained silver; along with an additional 1.9 million ounces silver from an inferred mineral resource of 687,000 tonnes grading 87.1 g/t silver (using a 41.1 g/t silver cut-off grade: Hester, 2009). The Company's Taylor Project includes rights to a 1,320 ton per day mill with flotation and cyanide leach plants, water rights and approximately 3,900 acres of mining claims located near Ely, Nevada.

Additional information on the historic drilling and resource estimates can be found in the NI 43-101 compliant technical report on the Taylor silver project, prepared by Michael Hester and dated December 14, 2010. The technical report is posted on SEDAR, and can also be found on the Company's website at www.silverpredator.com.

David R. Hembree, PGeo, Nevada Exploration Manager, is the Qualified Person as defined under National Instrument 43-101, overseeing Silver Predator's Taylor exploration programs and has reviewed Information presented on QA/QC procedures and technical aspects of the drilling results shown above.

Please see the Company's news releases dated July 5, 2011 and August 17, 2011 for additional information.

Plata Project

In July 2011, the Company commenced drilling at its Plata Project, located in the Hess Mountains 190 km east of the village of Mayo, Yukon.

The 2,500 m oriented core drill program is intended to follow up historical exploration work by Rockhaven Resources and other previous operators, to expand and to better define the known silver, gold, lead and zinc mineralized zones on the property.

The Company's 2011 drill program follows on the positive results of 2008 and 2009 exploration programs, which included the following highlights: (1)

- Aho Zone – drilling intercepted 768 g/t silver, 3.6 g/t gold, 2.44% lead, and 3% zinc over 1.3 m in PL-08-02
- Etzel Zone - trenching produced 94 g/t silver, 0.51% lead, and 0.2 g/t gold over 40.54 m
- Ladue Zone (P-2 vein) - outcrop chip samples produced 812 g/t silver, 24.48% lead, and 17.02% zinc over width of 1.93 m and strike length of 85 m

The property lies within the Tintina Gold Belt and displays similar features to Canada's second-largest historical silver producer, the Keno Hill Silver Camp, which is situated about 165 km west of the property. From 1976 to 1984, high-grade mineralized veins were intermittently mined from a number of shallow open pits on the Plata property, resulting in approximately 9,020 kg (290,000 oz) of silver being extracted from approximately 2,041 tonnes of hand-sorted mineralized rock. The Company's 2011 drill program is planned to target existing major structures in the form of thrust faults that appear to control silver-gold-lead-zinc mineralization on the property, and high grade silver-lead lenses within extensional fault zones. The program will focus on exploring a new area located between two known high-grade silver mineralized zones (the Aho Zone), exploring the extension of known high-grade silver mineralized veins in the Ladue Zone, and defining the potential of lower grade, bulk tonnage mineralization at the Etzel Zone.

The Plata property is located 190 km east of Mayo and 165 km north of Ross River. Both communities are accessible by the Yukon Highway system and have maintained gravel airstrips. There is also a 110 km winter road connecting the property to the North Canol road. The Plata property itself is located 11 km north of a gravel airstrip and has a network of unimproved roads connecting the major zones.

The technical content above has been reviewed and approved by Farrell J. Andersen, PGeo, the Company's Yukon Exploration Manager and a Qualified Person as defined by National Instrument 43-101.

Pinchot Property (formerly White Mountain)

The Company owns certain unpatented lode mining claims located within the White Mountains in eastern Esmeralda County, Nevada. The claims encompass an exploration phase project acquired for its potential to yield high grade mineralization within the volcanic hosted low sulfidation gold/silver vein system in the Walker Lane structural trend. Preliminary field work was conducted to assess and identify initial drill sites.

5. OUTLOOK

The Company has a portfolio of advanced stage silver assets and intends to rapidly advance these properties, subject to raising sufficient capital to fund its exploration programs. There are no assurances the Company will be able to raise these funds.

The Company expects incur the exploration expenditures required in order to meet its flow through renunciation obligations.

SELECTED FINANCIAL INFORMATION

	May 31, 2011	May 31, 2010	May 31, 2009 (restated)
Net sales	Nil	Nil	Nil
Net loss	1,670,820	221,404	432,119
Loss per share – basic and diluted	(0.11)	(0.05)	(0.32)
Total assets	18,281,720	914,095	3,935,139
Total long-term liabilities	378,390	Nil	Nil
Cash dividends declared per-share	Nil	Nil	Nil

6.1 Results of operations for the year ended May 31, 2011

The net loss for the year was $1,670,520 compared to a net loss in prior year of $221,404. Individual items contributing to the increase in net loss of $1,449,416 are as follows:

- Amortization decreased by $5,431 to $Nil (2010 - $5,431) as a result of the Company writing off fixed assets no longer in use.
- Consulting and management fees decreased by $74,753 to $200,689 (2010 - $275,442) primarily due the Company incurring these costs as salaries rather than consulting fees in the current year.
- General and administrative expenses increased by $21,565 to $121,387 (2010 - $99,822) due to increased activity by the Company in the current year.
- Filing costs increased by $69,145 to $108,722 (2010 - $39,577) due to increased transfer agent fees and other filing fees as the Company was more active in this year compared to prior year.
- Insurance costs decreased by $5,684 to $13,578 (2010 - $19,262) as a result of a review of coverage, and the Company being able to obtain lower group rates.
- Professional fees decreased by $77,551 to $97,998 (2010 - $175,549) as a result of a decrease in legal cost related to general corporate activity as compared to the prior year.
- Salaries and wages increased by $134,126 to $180,631 (2010 - $46,505) were paid for various administrative employees, including a corporate secretary and accounting staff under a cost sharing agreement in terms of which, the Company is provided with the use of office space, office and administrative resources, and technical services, on a cost recovery basis.
- Stock-based compensation of $728,861 (2010 – $Nil) reflects the recognition of stock option expense.
- Travel of $63,533 (2010 - $Nil) results from increased investor relations activity as well as increased efforts to promote the Company and raise financing.
- The realized gain on the sale of investments was $299,908 (2010 - $1,832,569) as a result of the Company selling its subsidiary, 1794298 Ontario Inc.
- Loss on Copper Ridge Shares of $Nil (2010 - $666,667). During the prior year, the Company's Copper Ridge Exploration Inc. common shares decreased in value from the time purchased. The Copper Ridges shares were distributed to shareholders in the prior year.
- Professional fees and costs related to property acquisition and listing transaction of $347,015 (2010 – $Nil) related to the acquisition of a basket of silver properties as described in Note 7 to the Financial Statements, and the costs of listing on the TSX as required by the agreement.
- Write off of resource properties of $Nil (2010 - $480,266). During the prior year, the Company wrote-off the Wildhorse, Right of First Refusal Properties, and Sacramento properties.
- Write-off of equipment of $9,711 (2010 - $Nil) results from the Company writing off equipment and leaseholds no longer used.
- Foreign exchange loss of $44,596 (2010 - $3,409) results mainly from the conversion of US monetary item balances to CAD for reporting purposes.
- Fair value adjustment – warrants $152,200 (2010 - $162,812) results from the mark-to-market of the Company's investment in Hy Lake Warrants. These warrants expired unexercised.

- Interest income of $4,443 (2010 - $Nil) results from the company having higher average cash balance in the current year than in the prior year.

- Future income tax of $93,750 (2010 – recovery of $79,231) relates to the estimated future tax from the increase in marketable securities over cost.

The comprehensive loss for the period includes an unrealized gain on available for sale marketable securities of $656,250 compared to a loss of $84,988 in the previous year. This has arisen on the mark to market of marketable securities at the Year-end.

6.2 Cash Flows for the year ended May 31, 2011

Cash outflows from operating activities increased by $928,446 to $1,412,610 (2010 – $484,164) primarily due an increase in activity as compared to last year and for working capital purposes.

Cash outflows from investing activities decreased by $957,197 to $351,197 (2010 - $1,308,960) due primarily to the reduction in the purchase of investments as compared to prior year.

Cash inflows from financing activities of $8,282,740 (2010 - $Nil) resulted from the Company completing three private placements during the year.

6.3 Results of operations for the three months ended May 31, 2011

The net loss for the quarter was $1,187,838 compared to $1,066,304 in the prior year. Individual items contributing to the reduction in net loss of $121,534 are as follows:

- Amortization decreased by $3,160 to $Nil (2010 – $3,160) as a result of the Company writing off fixed assets no longer in use.

- Consulting and management fees decreased by $109,188 to $18,107 (2010 - $127,295) primarily due the Company incurring these costs as salaries rather than consulting fees in the current year.

- General and administrative expenses increased by $18,955 to $45,172 (2010 - $26,217) due to higher activity by the Company in the current quarter.

- Filing costs increased by $39,982 to $62,197 (2010 - $22,215) due to the Company listing on the TSX and increased transfer agent fees and other filing fees as the Company was more active in this area in the quarter compared to prior year.

- Insurance costs decreased by $1,079 to $7,113 (2010 - $8,192) as a result of a review of coverage and the Company being able to obtain lower group rates.

- Professional fees decreased by $37,868 to $73,364 (2010 - $111,232) as a result of lower legal fees related to general corporate activities in the quarter.

- Salaries and wages increased by $61,048 to $107,553 (2010 - $46,505). This was in respect of various administrative employees, including a corporate secretary and accounting staff required as a result of an increase in activity.

- Stock-based compensation of $366,840 (2010 – $Nil) reflecting the recognition of stock option expense.

- Travel of $20,711 (2010 - $Nil) results from increased investor relations activity as well as increased efforts to promote the Company and raise financing.

- The realized gain on the sale of investments was $299,908 (2010 - $Nil) primarily as a result of the Company selling its subsidiary, 1794298 Ontario Inc.

- Loss on Copper Ridge Shares of $Nil (2010 - $666,667). During the prior year, the Company's Copper Ridge Exploration Inc. common shares decreased in value from the time purchased. The Copper Ridges shares were distributed to shareholders in the prior year.

- Professional fees and costs related to property acquisition and listing transaction of $150,194 (2010 – $Nil) related to the acquisition of a basket of silver properties as described in Note 7 to the Financial Statements, and the costs of listing on the TSX as required by the agreement.

- Write-off of equipment of $9,711 (2010 - $Nil) results from the Company writing off equipment and leaseholds no longer used.

- Write off of resource properties of $Nil (2010 - $480,266). During the prior year, the Company wrote-off the Wildhorse, Right of First Refusal Properties, and Sacramento properties.

- Foreign exchange loss of $44,981 (2010 – gain of $2,305) results mainly from the conversion of US monetary item balances to CAD for reporting purposes.

- Fair value adjustment – warrants $152,200 (2010 - $162,812) results from the mark-to-market of the Company's investment in Hy Lake Warrants. These expired unexercised and no further adjustments will be booked in this regard.

- Interest income of $4,166 (2010 - $Nil) results from the company having higher average cash balance in the current year than in the prior year.

- Future income tax of $93,750 (2010 – recovery of $79,231) relates to the estimated future tax from the increase in marketable securities over cost.

The comprehensive loss for the period includes an unrealized loss on available for sale marketable securities of $293,750 compared to a loss of $84,988 in the previous year. This has arisen on the mark to market of marketable securities at the quarter-end.

6.4 Cash Flows for the three months ended May 31, 2011

Cash outflows from operating activities decreased by $1,298,250 to $641,432 (2010 – $1,939,682) primarily due to a gain on marketable securities in prior year that did not reoccur.

Cash outflows from investing activities decreased by $909,724 to $258,202 (2010 - $1,167,926) due primarily to the reduction of investments purchased as compared to prior year.

Cash inflows from financing activities of $152,501 (2010 - $Nil) increased primarily due to the exercise of warrants during the period.

6.5 Summary of quarterly results

	2011				2010			
	Q4	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Net Sales	-	-	-	-	-	-	-	-
Net income (loss)	(1,187,838)	(230,699)	(39,682)	(212,601)	(1,066,304)	(732,416)	714,629	862,687
Basic and diluted Net Income (Loss) per share	(0.08)	(0.01)	(0.01)	(0.05)	(0.25)	(0.19)	0.18	0.23

The net income in Q1 and Q2 of 2010 relates to the gain on the sale of marketable securities in those periods.

6.6 Financial Position

The increase in cash of $6,518,933 to $6,584,209 (2010 - $65,276) results from the Company raising funds during the current year through private placements.

Prepaid expenses and deposits increased by $24,970 to $51,396 (2010 - $26,426) due to increased activity during the year by the Company.

Receivables increased by $64,185 to $87,346 (2010 - $23,161). This was mainly the result of an increase to Harmonized Sales Tax ("HST") receivable.

Investments increased by $597,800 to $1,350,000 (2010 - $752,200) as a result an increase in fair market value of the Hy Lake Gold Inc. common shares.

Short-term promissory note of $200,000 (2010 - $Nil) resulted from the company selling its subsidiary, 1794298 Ontario Inc. for the sum of $300,000, of which $100,000 was received in cash, $100,000 is receivable May 31, 2011 (received subsequent to year-end), and $100,000 is receivable May 31, 2012.

Equipment and leaseholds decreased by $9,711 to $Nil (2010 - $9,711) due to the Company writing off equipment and leaseholds no longer used.

Long-term investment of $900,000 (2010 - $Nil) relates to the Company's investment in Fury Explorations Inc.

Resources properties increased by $9,071,448 to $9,108,769 (2010 - $37,321) primary due to the Company completing its asset purchase with Golden Predator Corp., Rockhaven Resources Ltd., and Strategic Metals Ltd. as outlined in Note 7 to the financial statements.

Accounts payable and accrued liabilities decreased by $66,696 to $168,317 (2010 – $235,013) due to the Company paying down payables during the year.

Future income tax liability of $378,390 (2010 - $Nil) is primarily related to the acquisition of Fury Mexico and the purchase price allocation to mineral properties that exceeded its tax cost basis.

Due to related parties of $51,400 (2010 – $Nil) mainly relates to a payable for reimbursement shared office costs.

Share capital increased by $16,785,872 to $20,693,343 (2010 – $3,907,471) primarily due to the private placements during the year and the acquisition of mineral properties from issuing common shares.

Contributed surplus increased by $1,233,229 to $1,412,211 (2010 – $178,982) primarily due the fair value of stock options issued to directors and employees, the fair value of warrants included in units issued during the period, and the fair value of agent warrants issued during the year in relation to the private placements.

Accumulated other comprehensive gain of $571,262 results from an increase in the market value of marketable securities designated as available-for-sale, net of tax.

6. LIQUIDITY AND CAPITAL RESOURCES

At May 31, 2011, the Company had working capital of $8,045,734 including cash of $6,584,209 as compared to a working capital of $632,050 including cash of $65,276 at May 31, 2010. Also included in working capital, at May 31, 2011, were marketable securities with a market value of $1,350,000 (May 31, 2010 - $752,200).

The Company's continued development is contingent upon its ability to raise sufficient financing both in the short and long-term. There are no guarantees that additional sources of funding will be available to the Company; however, management is committed to pursuing all possible sources of revenue in order to execute its business plan.

7. OUTSTANDING SHARE DATA

At the date of this report the Company has 28,899,218 issued and outstanding common shares, 3,190,000 outstanding stock options currently outstanding, vested at a weighted average exercise price of $0.87, and 2,784,250 outstanding warrants at a weighted average exercise price of $0.54.

8. OFF BALANCE SHEET ARRANGEMENTS

At May 31, 2011, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

9. RELATED PARTY TRANSACTIONS

Amounts paid to related parties were incurred in the normal course of business and measured at the exchange amount, which is the amount agreed upon by the transacting parties and on terms and conditions similar to non-related parties.

The Company paid or accrued management and consulting fees of $172,578 (2010 - $243,840) due to three directors of the Company.

The Company has entered into a cost sharing arrangement with a company having common directors. Under the agreement, the Company is provided with the use of office space, office and administrative resources, and technical services, on a cost recovery basis.

Amounts due to related parties of $51,400 (2010 - $Nil) are non-interest bearing and due on demand.

10. CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting policies requires management of the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are based on past experience, industry trends and known commitments and events. By their nature, these estimates are subject to measurement uncertainty and the effects on the financial statements of changes in such estimates in future periods could be significant. Actual results will likely differ from those estimates.

Carrying value of mineral interests

The Company has capitalized the cost of acquiring mineral interests and on-going exploration and maintenance costs. Capitalized property costs are expensed in the period in which the Company determines that the mineral interests have no future economic value. Capitalized property costs may also be written down if future cash flow, including potential sales proceeds and option payments, related to the property are estimated to be less than the carrying value of the property. The Company reviews the carrying value of its mineral properties periodically, and whenever events or changes in circumstances indicate the carrying value may not be recoverable, reductions in the carrying value of each property would be recorded to the extent that the carrying value of the investment exceeds the property's estimated fair value. Such events or changes in circumstances involve changes in political risk, economic risk, commodity prices, exchange rates, and interest rates among others.

Stock-based compensation

The Company uses the Black-Scholes option pricing model to calculate the fair value of stock options and compensatory warrants granted. This model is subject to various assumptions. The assumptions the Company makes will likely change from time to time. At the time the fair value is determined, the methodology the Company uses is based on historical information, as well as anticipated future events. The assumptions with the greatest impact on fair value are those for estimated stock volatility and for the expected life of the instrument.

Future income taxes

The Company accounts for tax consequences of the differences in the carrying amounts of assets and liabilities and their tax bases using tax rates expected to apply when these temporary differences are expected to be settled. When the future realization of income tax assets does not meet the test of being more likely than not to occur, a valuation allowance in the amount of the potential future benefit is taken and no future income tax asset is recognized. The Company has taken a valuation allowance against all such potential tax assets.

11. IFRS CHANGEOVER PLAN DISCLOSURE

The Canadian Accounting Standards Board ("AcSB") has announced its decision to replace Canadian generally accepted accounting principles ("GAAP") with International Financial Reporting Standards (IFRS) for all Canadian Publicly Accountable Enterprises ("PAEs"). The effective changeover date is June 1, 2011, at which time Canadian GAAP will cease to apply for the Company and will be replaced by IFRS. Following this timeline, the Company will issue its first set of interim financial statements prepared under IFRS for the quarter ended August 31, 2011 including comparative IFRS financial results and an opening balance sheet as at June 1, 2010. The first annual IFRS consolidated financial statements will be prepared for the year ended May 31, 2012 with restated comparatives for the year ended May 31, 2011.

Management has developed a project plan for the conversion to IFRS based on the current nature of operations. The conversion plan is comprised of three phases: 1) Scoping phase which will assess the overall impact and effort required by the Company in order to transition to IFRS; 2) Planning phase which will include a detailed analysis of the conversion process and implementation plan required for disclosure for the Company's first quarter; and, 3) Transition phase which will include the preparation of an IFRS compliant opening balance sheet as at June 1, 2010, any necessary conversion adjustments and reconciliations, preparation of a fully compliant set of IFRS financial statements including all note disclosures.

Management has completed phase one, IFRS Scoping phase, and is now advancing through phase two, the Planning stage. Management prepared a component evaluation of its existing financial statement line items, comparing Canadian GAAP to the corresponding IFRS guidelines, and has identified a number of differences. Many of the differences identified are not expected to have a material impact on the reported results and financial position.

Most adjustments required on transition to IFRS will be made, retrospectively, against opening retained earnings as of the date of the first comparative balance sheet presented based on standards applicable at that time.

IFRS 1, "First-Time Adoption of International Financial Reporting Standards", provides entities adopting IFRS for the first time with a number of optional exemptions and mandatory exceptions, in certain areas, to the general requirement for full retrospective application of IFRS.

Set out below are the most significant areas management has identified to date, where changes in accounting policies may have the highest potential impact on the Company's consolidated financial statements.

Impairment of Assets

Canadian GAAP generally uses a two-step approach to impairment testing: first comparing asset carrying values with undiscounted future cash flows to determine whether impairment exists; and then measuring any impairment by comparing asset carrying values with discounted cash flows. International Accounting Standard ("IAS") 36, "Impairment of Assets" uses a one-step approach for both testing and measurement of impairment, with asset carrying values compared directly with the higher of fair value less costs to sell and value in use (which uses discounted future cash flows).

Share Based Payments

IFRS and Canadian GAAP largely converge on the accounting treatment for share – based transactions with only a few differences.

Canadian GAAP allows either accelerated or straight line method of amortization for the fair value of stock options under graded vesting. Currently, the Company is using the grading accelerated method and therefore the adoption of IFRS 2 is not expected to have a significant impact on the Company's financial statements.

Under IFRS, the estimate for forfeitures must be made when determining the number of equity instruments expected to vest, while under Canadian GAAP forfeitures can be recognized as they occur. The Company is using an estimate of forfeitures when determining the number of equity instruments expected to vest.

Upon adoption of IFRS 2, the Company will be compliant with the new standard and the adoption is not expected to have an impact on the financial statements.

Exploration and Evaluation Assets

Under the Company's current accounting policy, acquisition costs of mineral properties, together with direct exploration and development expenses incurred thereon are capitalized.

Upon adoption of IFRS, the Company has to determine the accounting policy for exploration and evaluation assets. The Company can decide to apply the International Accounting Standards Board ("IASB") Framework which requires exploration expenditures to be expensed and capitalization of expenditures only after the completion of a feasibility study or keep the existing Company policy, if relevant and reliable.

Property, Plant and Equipment

Under IFRS, Property, Plant and Equipment ("PP&E") can be measured at fair value or at cost while under Canadian GAAP, the Company has to carry PP&E on a cost basis.

Upon adoption of IFRS, the Company has to determine whether to elect a cost model or revaluation model. Management has yet to decide on which model to adopt. The Company is in the process of identifying the potential impact on the property, plant and equipment balance.

Foreign Currency

IFRS requires that the functional currency of each entity in the consolidated group be determined separately in accordance with IAS 21 and the entity's financial results and position should be measured using the currency of the primary economic environment in which the entity operates ("the functional currency").

As events and conditions relevant to the Company change, it will re-consider the primary and secondary indicators, as described in IAS 21, in determining the functional currency for each entity. Going forward under IFRS, management will assess the appropriate functional currency based on existing circumstances which may have a significant impact on the Company's consolidated financial statements prepared under IFRS.

Future Income Taxes

Like Canadian GAAP, deferred income taxes under IFRS are determined using the liability method for temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, and by generally applying tax rates applicable to the Company to such temporary differences. Deferred income taxes relating to temporary differences that are in equity are recognized in equity and under IFRS subsequent adjustments thereto are backward traced to equity.

General

As the Company elects and approves the IFRS accounting policy for each of the areas above, management will determine and disclose impact of the IFRS adoption at the transition date on our financial statements. The International Accounting Standards Board will also continue to issue new accounting standards during the conversion period and, as a result, the final impact of IFRS on the Company's consolidated financial statements will only be measured once all the IFRS applicable accounting standards at the conversion date are known.

Based on management assessment of the information system currently used by the Company, all information required to be reported under IFRS will be available with minimal system changes.

One of the more significant impacts identified to date of adopting IFRS is the expanded presentation and disclosures required. Disclosure requirements under IFRS generally contain more breadth and depth than those required under Canadian GAAP and, therefore, will result in more extensive note disclosures. The Company is continuing to assess the level of presentation and disclosures required to its consolidated financial statements.

12. RISK FACTORS

An investment in securities of Silver Predator is speculative and involves significant risks and uncertainties which should be carefully considered by prospective investors before purchasing such securities. The occurrence of any one or more of these risks and uncertainties could have a material adverse effect on the value of any investment in Silver Predator and on the business, prospects, financial position or operating results of Silver Predator. The risks noted below do not necessarily comprise all those faced by Silver Predator.

The Proposed Transactions may not be successful.

There can be no assurance that the proposed transactions will be completed as proposed, or on a specific date, or at all. There can be no assurances that the market price of the common shares of the Company will increase as a result of the proposed transactions. The marketability and trading liquidity of the common shares of the Company may not improve as a result of the proposed transactions.

Silver Predator or SPCC may not be able to exercise the Options granted by Golden Predator, Rockhaven, Strategic, and ATAC.

The Company does not own the Plata, Rancheria, Taylor, Hy, Flip, or the Rusty Properties, but does hold, directly or indirectly, rights to acquire such properties. Silver Predator or SPCC may, in the future be unable to exercise any or all of the options to be granted by Golden Predator, Rockhaven, Strategic, and ATAC, and, as a result, will not acquire any or all of the Plata, Rancheria, Taylor, Hy, Flip or the Rusty Properties.

If the Company fails to exercise any of the options, it will lose all of its interest in the respective properties and will not be entitled to retract the Common Shares issued as payment.

Silver Predator faces liquidity issues that threaten its ability to continue as a going concern.

Silver Predator has no current source of operating revenue. Should there be a funding shortfall, there can be no assurance that financing would be available on terms acceptable to Silver Predator. There can be no assurance that management will be able to adequately reduce costs or secure additional financing if required. If funding is not obtained in a timely manner, Silver Predator may not be able to continue as a going concern.

Fluctuations in market price of silver will affect the profitability of Silver Predator's operations and its financial condition.

Silver Predator's current revenues, if any, are expected to be in large part derived from the extraction and sale of silver and other metals or interests related thereto. The price of those commodities has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond Silver Predator's control, including international, economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities and increased production due to new extraction developments and improved extraction and production methods. The effect of these factors on the price of silver, and therefore the economic viability of any of Silver Predator's current exploration projects and exploration projects cannot accurately be predicted.

Silver Predator's potential profitability is partly dependent upon factors beyond Silver Predator's control.

As with other enterprises in the mining industry, Silver Predator's mineral exploration and development related activities are subject to conditions beyond Silver Predator's control that may impact upon the potential profitability of its mineral projects. For instance, world prices of and markets for minerals are unpredictable, highly volatile, potentially subject to governmental interference, currency pegging and/or controls and respond to changes in domestic, international, political, social and economic environments. Another factor is that rates of recovery of minerals from mined ore may vary from the rates experienced in tests and a reduction in the recovery rates will adversely affect profitability and, possibly, the economic viability of its projects.

Profitability will also depend on the costs of operations, including costs of labour, equipment, electricity, environmental compliance, diesel prices and other production inputs, the discovery and/or acquisition of additional mineral reserves and mineral resources, the successful conclusion of feasibility and other mining studies, access to adequate capital for project development and sustaining capital, design and construction of efficient mining and processing facilities within capital expenditure budgets; securing and maintaining title to concessions and other mining rights, obtaining permits, consents and approvals necessary for the conduct of exploration, development, construction and production, the ability to procure major equipment items and key consumables in a timely and cost-effective manner. Such costs will fluctuate in ways Silver Predator cannot predict and are beyond Silver Predator's control, and such fluctuations will impact on profitability and may eliminate profitability altogether. Additionally, due to worldwide political and economic uncertainty, the availability and cost of funds for development and other costs have become increasingly difficult, if not impossible, to predict. These changes and events may materially affect Silver Predator's financial performance.

Mining operations involve a high degree of operational risk.

Silver Predator's operations will be subject to all the hazards and risks normally encountered in the exploration, development and production of silver and other precious metals, including, without limitation, unusual and unexpected geologic formations, seismic activity, rock bursts, pit wall failures, cave ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other facilities, damage to life or property, environmental damage and legal liability. Milling operations are subject to various hazards, including, without limitation, equipment failure and failure of retaining dams around tailings disposal areas, which may result in environmental pollution and legal liability.

Silver Predator's capital and operating cost estimates may not be accurate.

Capital and operating cost estimates made in respect of Silver Predator's projects may not prove accurate. Capital and operating costs are estimates based on the interpretation of geological data, feasibility studies, anticipated economic conditions and other factors. In recent years the mining industry has experienced significant capital and operating cost escalations due to a range of factors, most notably high worldwide commodity prices and a tight market in the mining industry. There can be no assurance that Silver Predator will not experience further capital and operating cost escalations on its projects.

Silver Predator is subject to a number of inherent exploration, development and operating risks.

Silver Predator is a development stage company engaged in mineral exploration and development. Mineral exploration and development is highly speculative in nature and involves many risks and is frequently not economically successful. Increasing mineral resources or mineral reserves depends on a number of factors including, among others, the quality of a company's management, their geological and technical expertise and the quality of land available for exploration.

Once mineralization is discovered it may take several years of additional exploration and development until production is possible during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves, to determine the optimal metallurgical process and to finance and construct mining and processing facilities. At each stage of exploration, development, construction and mine operation various permits and authorizations are required. Applications for many permits require significant amounts of management time and the expenditure of substantial amounts for engineering, legal, environmental, social and other activities. At each stage of a project's life delays may be encountered because of permitting difficulties. Such delays add to the overall cost of a project and may reduce its economic viability. As a result of these uncertainties, there can be no assurance that a mineral exploration and development company's programs will result in profitable commercial production.

Companies engaged in mining activities are subject to all of the hazards and risks inherent in exploring for and developing natural resource projects. These risks and uncertainties include, but are not limited to, environmental hazards, industrial accidents, labour disputes, increases in the cost of labour, social unrest, fires, changes in the regulatory environment, impact of non-compliance with laws and regulations, encountering unusual or unexpected geological formations or other geological or grade problems, unanticipated metallurgical characteristics or less than expected mineral recovery, encountering unanticipated ground or water conditions, cave ins, pit wall failures, flooding, rock bursts, periodic interruptions due to inclement or hazardous weather conditions, earthquakes, seismicity, natural disasters and other acts of God or unfavourable operating conditions and losses. Should any of these risks or hazards affect a company's exploration, development or mining activities it may: cause the cost of development or production to increase to a point where it would no longer be economic to produce metal from the company's mineral resources or expected reserves; result in a write down or write-off of the carrying value of one or more mineral projects; cause delays or stoppage of mining or processing; result in the destruction of mineral properties, processing facilities or third party facilities necessary to the company's operations; cause personal injury or death and related legal liability; or result in the loss of insurance coverage — any or all of which could have a material adverse effect on the financial condition, results of operations or cash flows of Silver Predator.

Silver Predator has limited operating history and Silver Predator is expected to continue to incur losses.

Silver Predator has a limited operating history in the mineral exploration and development business and there can be no assurance that Silver Predator will ever be profitable.

Silver Predator has limited experience with development stage mining operations and there is no assurance that the necessary expertise will be available if and when Silver Predator places its mineral properties into production.

Silver Predator has limited experience in placing mineral properties into production, and its ability to do so will be dependent upon using the services of appropriately experienced personnel or entering into agreements with major mining companies that can provide such expertise. There can be no assurance that Silver Predator will have available to it the necessary expertise when and if it places its mineral properties into production.

Silver Predator's resource and reserve estimates are based on interpretations and assumptions and may yield less mineral production under actual conditions than is currently estimated.

Mineral resource and reserve estimates for the Taylor Property are, to a large extent, based on interpretations of geological data obtained from drill holes and other sampling techniques and feasibility studies which derive costs based on anticipated tonnage and grades of ores to be mined and processed, the configuration of the ore body, expected recovery rates of metal from the ore, estimated operating costs, estimated capital costs, estimated site remediation costs and asset retirement costs, anticipated climatic conditions and other factors. There is significant uncertainty in any mineral resource estimate and the actual deposits encountered and the economic viability of a mineral deposit may differ materially from Silver Predator's estimates. Mineral resources which are not mineral reserves do not have demonstrated economic viability.

Estimated mineral resources are periodically recalculated based on changes in prices of mineral products, changes in expected operating and capital costs and asset retirement obligations, further exploration or development activity or actual production experience. Such recalculations could materially and adversely affect estimates of the volume or grade of mineralization, estimated recovery rates or other important factors which influence mineral resource or mineral reserve estimates. Market price fluctuations for mineral products, increased production costs or reduced recovery rates or other factors might render proven and probable mineral reserves uneconomic or unprofitable to develop; such factors could result in the reclassification of mineralized material into the resource category from proven or probable mineral reserves that would result in write-downs of the carrying value of the affected property or might accelerate the timing of payment of reclamation costs and asset retirement obligations.

The inclusion of mineral resource estimates should not be regarded as representation that these amounts can be economically exploited and no assurance can be given that such resource estimates will be converted into mineral reserves.

Silver Predator's profitability subject to currency fluctuations.

Fluctuations in currency exchange rates (principally the Cdn$/US$) may significantly impact Silver Predator's earnings and cash flows.

Competition in the mining industry could adversely affect Silver Predator's ability to acquire mineral claims, leases and other mineral interests.

There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. Silver Predator will be competing with other mining companies, many of which have greater financial resources than it does, for the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. There can be no assurance that the necessary funds can be raised or that any projected work will be completed.

Silver Predator is subject to environmental risk and environmental regulations which may negatively affect exploration and development activities.

Mining operations have inherent risks and liabilities associated with the pollution of the environment and the disposal of waste produced as a result of mineral exploration and production. Open pit mining and silver ore processing are subject to risks and hazards, including discharge of toxic chemicals, breach of tailings dams, fire, flooding, rock falls and subsidence. The occurrence of these hazards can increase operational costs and result in liability to Silver Predator. Such incidents may also result in a breach of the conditions of a mining lease or other consent or permit of a relevant regulatory regime, with consequent exposure to enforcement procedures, including the possible revocation of such leases, consents and permits. Environmental hazards may exist on the properties on which Silver Predator holds interest, which are unknown to Silver Predator at present and which have been caused by previous or existing owners or operators of the properties.

Silver Predator's current or future operations, including exploration, development and production activities, are subject to environmental regulations which may negatively affect their economic viability or prohibit them altogether. Silver Predator is subject to potential risks and liabilities associated with pollution of the environment and the disposal of waste products which could occur as a result of mineral exploration, development and production.

To the extent that Silver Predator is subject to environmental liabilities, the payment of such liabilities or the costs that it may incur to remedy environmental pollution would reduce the funds otherwise available to it and could have a material adverse effect on the financial condition, results of operations or cash flow results of Silver Predator. If Silver Predator is unable to fully remedy an environmental problem, it may be required to suspend operations or enter into interim compliance measures pending completion of the required remedy. The potential exposure may be significant and could have a material adverse effect on the financial condition, results of operations or cash flows of Silver Predator. Silver Predator has not purchased insurance for environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) as it is not generally available at a reasonable price.

Silver Predator is subject to regulatory risks that may delay or adversely affect silver production.

Exploration and development activities and mining operations are subject to laws and regulations governing health and worker safety, employment standards, environmental matters, mine development, prospecting, project development, mineral production, permitting and maintenance of title, exports, taxes, labour standards, reclamation obligations, heritage and historic matters and other matters. It is possible that future changes in applicable laws, regulations and agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of permits and agreements applicable to Silver Predator or its properties which could have a material adverse impact on Silver Predator's current exploration programs and future development projects. Where required, obtaining necessary permits and licences can be a complex, time consuming process and there can be no assurance that required permits will be obtainable on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict Silver Predator from proceeding with the development of an exploration project or the operation or further development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or fines, penalties or other liabilities.

Silver Predator is subject to litigation risks and judgments obtained in Canadian courts may not be enforceable in foreign jurisdictions.

Silver Predator may be subject to legal claims, with and without merit and the cost to defend and settle such legal claims can be substantial, regardless of the merit of the claim. One of Silver Predator's material properties, namely the Taylor Property, is located outside of Canada. It may be difficult or impossible to enforce judgments obtained in Canadian courts predicated upon the civil liability provisions of the securities laws of the various Canadian provinces against Silver Predator's assets located outside of Canada.

There is no assurance that Silver Predator's title to its mineral properties will not be challenged.

The acquisition of title to mineral properties is a very detailed and time consuming process. Title to and the area of mineral properties may be disputed. While Silver Predator has diligently investigated title to the minerals claims it has acquired, Silver Predator's mineral properties may be subject to prior unregistered agreements or transfers or aboriginal land claims and title may be affected by undetected defects. Silver Predator has not surveyed the boundaries of all of its mineral properties and consequently the boundaries of the properties may be disputed.

Silver Predator's insurance coverage may not cover all losses and liabilities and certain risks are uninsured or uninsurable.

The mining industry is subject to significant risks, including unexpected or unusual geological formations or operating conditions, rock bursts, cave ins, fires, floods, earthquakes and other environmental occurrences, and political and social instability, which could result in damage to, or destruction of, mineral properties or producing facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability. Accordingly, Silver Predator may become subject to losses, liabilities, delays or damages against which it cannot insure or against which it may elect not to insure because insurance costs are too expensive relative to the perceived risk.

Of the risks which Silver Predator may elect to insure, the liability could exceed the policy limits or otherwise determined to be excluded by the coverage. The impact of the potential cost associated with any liabilities in excess of Silver Predator's insurance coverage or of any uninsured liabilities may have a material adverse effect on the financial condition, results of operations or cash flows of Silver Predator. Silver Predator has not purchased insurance for environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) as it is not generally available at a reasonable price.

Silver Predator is reliant upon management and other key personnel and employees.

Silver Predator is heavily reliant on the personal efforts, experience and expertise of its directors and senior officers. If any of these individuals should cease to be available to manage the affairs of Silver Predator, its activities and operations could be adversely affected. Recruiting and retaining qualified personnel is critical to Silver Predator's success. The number of persons skilled in acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As Silver Predator's business activity grows, Silver Predator will require additional key financial, administrative and mining personnel as well as additional operations staff. Although Silver Predator believes that it will be successful in attracting, training and retaining qualified personnel, there can be no assurance of such success. If Silver Predator is not successful in attracting and training qualified personnel, the efficiency of its operations could be affected, which could have an adverse impact on Silver Predator's future cash flows, earnings, results of operations and financial condition.

Silver Predator may not be able to raise additional financing if required to advance exploration properties.

If Silver Predator's exploration efforts on the Plata Property and Taylor Property are successful, additional funds may be required to continue exploration and to develop an economic ore body and place it into commercial production. Exploration and future development of these mineral properties may depend on Silver Predator's ability to obtain adequate financing through the joint venturing of projects, debt financing, equity financing or by other means. There can be no assurance that Silver Predator will be successful in obtaining the required financing. Failure to obtain such financing would result in delay or indefinite postponement of exploration and future development work on these properties.

Silver Predator, as a borrower or potential borrower of money, may be exposed to adverse interest rate movements that may increase the financial risk inherent in its business and could have a material adverse impact on profitability and cash flow. Project financing may expose Silver Predator to adverse interest rate movements and also potentially silver price movements that may significantly increase the financial risk inherent in its business and could have an adverse impact on profitability and cash flow.

Current global financial condition.

Current global financial conditions have been subject to increased volatility and numerous financial institutions have either gone into bankruptcy protection or have had to be rescued by governmental authorities. Access to public financing has been negatively impacted by sub-prime mortgages, the liquidity crisis affecting the asset-backed commercial paper market, and bank exposure to unmanageable government debt load. These factors may impact the ability of Silver Predator to obtain equity or debt financing in the future and, if obtained, on terms favourable to Silver Predator.

The Common Shares may experience price volatility and the market price of the Common Shares cannot be assured.

There can be no assurance that an active market for the Common Shares will be sustained. Securities of mining companies have experienced substantial volatility in recent years, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries. The price of the securities of Silver Predator is also likely to be significantly affected by short-term changes in commodity prices, other precious metal prices or other mineral prices, currency exchange fluctuation, or in its financial condition or results of operations as reflected in its quarterly earnings reports.

Other factors unrelated to the performance of Silver Predator that may have an effect on the price of the securities of Silver Predator include the following: the extent of analyst coverage available to investors concerning the business of Silver Predator may be limited if investment banks with research capabilities do not follow Silver Predator's securities; lessening in trading volume and general market interest in Silver Predator's securities may affect an investor's ability to trade significant numbers of securities of Silver Predator; the size of Silver Predator's public float may limit the ability of some institutions to invest in Silver Predator's securities; and a substantial decline in the price of the securities of Silver Predator that persists for a significant period of time could cause Silver Predator's securities to be delisted from an exchange, further reducing market liquidity. If an active market for the securities of Silver Predator does not continue, the liquidity of an investor's investment may be limited and the price of the securities of Silver Predator may decline and investors may lose their entire investment in the Common Shares.

As a result of any of these factors, the market price of the securities of Silver Predator at any given point in time may not accurately reflect the long-term value of Silver Predator. Securities class-action litigation often has been brought against companies following periods of volatility in the market price of their securities. Silver Predator may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Conflicts of interest may arise between Silver Predator's directors and officers.

Certain of the directors and officers of Silver Predator also serve as directors and/or officers of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors and officers to be in a position of conflict.

Any future acquisitions by Silver Predator may not be successful or acceptable.

Silver Predator's business strategy includes continuing to seek new property and corporate acquisition, merger and joint venture opportunities. In pursuit of such opportunities, Silver Predator may fail to select appropriate acquisition candidates or negotiate acceptable arrangements, including arrangements to finance acquisitions or integrate the acquired businesses and their personnel into Silver Predator. Silver Predator cannot assure that it can complete any acquisition or business arrangement that it pursues, or is pursuing, on favourable terms, or that any acquisitions or business arrangements completed will ultimately benefit Silver Predator's business.

Silver Predator does not have a dividend history or policy.

No dividends on the Common Shares have been paid by Silver Predator to date. Silver Predator anticipates that for the foreseeable future it will retain future earnings and other cash resources for the operation and development of its business. Payment of any future dividends will be at the discretion of Silver Predator's board of directors after taking into account many factors, including Silver Predator's operating results, financial condition and current and anticipated cash needs.

Further Silver Predator intends to conduct its operations with respect to the Taylor Property and Plata Property through its subsidiaries. Silver Predator's ability to obtain dividends or other distributions from its subsidiaries may be subject to restrictions on dividends or repatriation of earnings under applicable local law, monetary transfer restrictions and credit facilities. There can be no assurance that there will be no future restrictions on repatriation, the payment of dividends or other distributions from the subsidiary which are necessary to enable Silver Predator to pay dividends in the future.

Operating in Mexico

The Company, through Fury Mexico, will have mineral properties in Mexico, which is a developing country, and it may be difficult for the Company to obtain the necessary financing for its planned exploration or development activities in Mexico. The Company may find it difficult to find or hire qualified people in the mining industry suitable for the Company who are situated in Mexico, or to obtain all of the necessary services or expertise in Mexico, on a timely basis. If qualified people and services or expertise cannot be obtained in Mexico, the Company may need to seek and obtain those services from people located outside of Mexico which will require work permits and compliance with applicable laws.

In the past, Mexico has been subject to political instability, changes and uncertainties, which may cause changes to existing governmental regulations affecting mineral exploration and mining activities. Mexican regulators have broad authority to shut down and/or levy fines against facilities that do not comply with regulations or standards. The Company's mineral exploration and mining activities in Mexico may be adversely affected in varying degrees by changing government regulations relating to the mining industry or shifts in political conditions that increase the costs related to the Company's activities or maintaining its properties. Operations may also be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, environmental legislation and mine safety.

Under Mexican law, a company that has foreign shareholders and receives investment capital from foreign sources is required to register such investments with the National Registry of Foreign Investments (the "**NRFI**"). Fury Mexico was timely registered and remains registered with the NRFI.

United States Securities Exemptions

In order to maintain the Company's current status as a "foreign private issuer", as such term is defined in Rule 3b-4 under the U.S. Securities Exchange Act of 1934, as amended, for U.S. securities law purposes, the Company must not meet the following conditions as of the last business day of its most recently completed second fiscal quarter (as assessed in accordance with SEC requirements): (i) more than 50% of the Company's outstanding voting securities are directly or indirectly held of record by residents of the U.S.; and (ii) any of the following: (a) a majority of its executive officers or directors are U.S. citizens or residents, (b) more than 50% of its assets are located in the U.S., or (c) the business of the Company is principally administered in the U.S. The Company may in the future lose its foreign private issuer status if it fails to meet any of the aforementioned criteria.

The regulatory and compliance costs to the Company under U.S. securities laws as a U.S. domestic issuer may be significantly more than the costs the Company incurs as a Canadian foreign private issuer eligible to use the Multi-Jurisdictional Disclosure System ("**MJDS**"). If the Company is not a foreign private issuer, it would not be eligible to use MJDS or other foreign issuer forms and would be required to file periodic and current reports and registration statements on U.S. domestic issuer forms with the SEC, which are more detailed and extensive than the forms available to a foreign private issuer. If the Company engages in capital raising activities after losing its foreign private issuer status, there is a higher likelihood that investors may require the Company to file resale registration statements with the SEC as a condition to any such financing.

United States Comprehensive Environmental Response, Compensation and Liability Act

The Company or its subsidiaries is the operator of the Taylor Property, Treasure Hill property and the Silver Bow property, which are all located in the United States. The Comprehensive Environmental Response, Compensation and Liability Act ("**CERCLA**") in the United States imposes strict, joint and several liability on parties associated with releases or threats of releases of hazardous substances. Liable parties include, among others, the current owners and operators of facilities at which hazardous substances were disposed or released into the environment and past owners and operators of properties who owned such properties at the time of such disposal or release. This liability could include response costs for removing or remediating the release and damages to natural resources.

Silver Predator Corp. could be deemed a passive foreign investment company which could have negative consequences for U.S. investors.

Depending upon the composition of the Company's gross income or its assets, the Company could be classified as a passive foreign investment company ("PFIC") under the United States tax code. If the Company is declared a PFIC, then owners of the Common shares who are U.S. taxpayers generally will be required to treat any "excess distribution" received on their Common shares, or any gain realized upon a disposition of Common shares, as ordinary income and to pay an interest charge on a portion of such distribution or gain, unless the taxpayer makes a qualified electing fund ("QEF") election or a mark-to-market election with respect to the Common shares. A U.S. taxpayer who makes a QEF election generally must report on a current basis its share of the Company's net capital gain and ordinary earnings for any year in which the Issuer is classified as a PFIC, whether or not the Issuer distributes any amounts to its shareholders. U.S. investors should consult with their tax advisors for advice as to the U.S. tax consequences of an investment in the Common shares.

13. INFORMATION REGARDING FORWARD LOOKING STATEMENTS

This Management Discussion and Analysis of Financial Condition and Results of Operations contains "forward-looking information" which include, but is not limited to, information about the transactions, statements with respect to the future financial or operating performances of Silver Predator and its projects, the future price of silver, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production revenues, margins, costs of production, capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, cost and timing of plant and equipment, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation and rehabilitation expenses, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of pending litigation and regulatory matters. Often, but not always, forward-looking information statements can be identified by the use of words such as "proposes", "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Silver Predator and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities and feasibility studies; assumptions in economic evaluations that may prove inaccurate; fluctuations in the value of the Canadian or US dollar; future prices of silver; possible variations of ore grade or recovery rates; failure of plant or equipment or failure to operate as anticipated; accidents; labour disputes or slowdowns or other risks of the mining industry; climatic conditions; political instability; or arbitrary decisions by government authorities.

Although Silver Predator has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this Management Discussion and Analysis of Financial Condition and Results of Operations based on the opinions and estimates of management, and Silver Predator disclaims any obligation to update any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.