VVC EXPLORATION CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

for the year ended

January 31st, 2014

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Form 51-102F1

VVC EXPLORATION CORPORATION ("VVC")

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MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JANUARY 31, 2014

This Management's Discussion and Analysis ("MD&A") of VVC for the year ended January 31, 2014 (the "Year") was prepared on May 28, 2014 and should be read in conjunction with the Company's January 31, 2014 consolidated financial statements and related notes, prepared in accordance with International Financial Reporting Standards ("IFRS"). All financial information disclosed in this report was prepared in accordance with IFRS unless otherwise disclosed.

All amounts herein are expressed in Canadian dollars unless otherwise indicated. The technical information in the MD&A has been approved by Peter Dimmell, P.Geo., a mineral exploration consultant and a director of VVC, who is a qualified person (QP) in Newfoundland and Labrador, Ontario and Quebec.

FORWARD LOOKING INFORMATION

This MD&A includes forward-looking statements that are subject to risks and uncertainties and other factors that may cause the actual results, performance or achievements expressed or implied by such forward-looking statements. Such factors include general economic and business conditions, which among other things, affect the price of metals, the foreign exchange rate, the ability of the Company to implement its business strategy, and changes in, or the failure to comply with government laws, regulations and guidelines. Unless otherwise required by applicable securities laws, VVC disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Additional information relating to VVC can be obtained from its News Releases and other public documents at the SEDAR website <www.sedar.com>.

BUSINESS OVERVIEW

The Company is a venture issuer reporting in Ontario, British Columbia, Alberta and Quebec. The Company's common shares trade on the TSX Venture Exchange under the symbol "VVC".

VVC is in the business of acquisition and exploration of resource properties in the mineral sector. VVC's principal business activity is the exploration and development of gold and base metal mineral properties both nationally and internationally, but principally in Mexico.

Through most of the year, VVC operated in Mexico, through its wholly owned subsidiary, VVC Exploración de México, S. de R.L. de C.V. ("VVC Mexico"). On October 18, 2013, the Company acquired all the issued and outstanding shares of Camex Mining Development Group Inc ("Camex"), a company incorporated under the laws of Canada with its wholly-owned subsidiary, Exploración Meus de Mexico S.A. de C. V ("Meus"), incorporated under the laws of Mexico. Through the acquisition of Camex, the Company acquired a 33.75% interest in Samalayuca Cobre S.A. de C.V. ("Samalayuca Cobre") and 100% interest in the Escondida Property. For more detailed information on the acquisition of Camex is set forth under "Major Transaction" on page 8-9. Throughout this document "the Company" shall refer to VVC and its wholly-owned subsidiaries, Camex, VVC Mexico and/or Meus.

(A) Mineral Properties in Mexico

Cumeral Property

In April 2010, VVC Mexico finalized a formal option agreement with 2 Mexican individuals (the "Optionee") relating to a 665-hectare (ha) gold mining project known as Cumeral (the "Cumeral Property") consisting of 3 mining concessions, in the State of Sonora, Mexico. The agreement to acquire a 100% interest in the Cumeral Property provided for payments of US$800,000 plus applicable taxes ("VAT") over a period of three years, the issuance of 200,000 common shares of the Company, and the reservation of a 2% Net Smelter Return ("NSR"). A finder's fee of US$5,000 was paid and 130,000 shares of the Company were issued to 3rd parties who were instrumental in arranging the transaction. All payments have been completed and ownership of the Cumeral Property is in the process of been transferred to VVC Mexico. In addition, VVC Mexico acquired 3 additional concessions covering 5,984 ha from the Ministry of Mines, for a total property size of 6,649 ha. These additional concessions are 100% owned by VVC Mexico and are not subject to the Option Agreement.

The Cumeral Property is located approximately 140 kilometres south of the City of Tucson, Arizona and 200 kilometres north of the City of Hermosillo. A network of gravel roads and paved highways provide excellent year round access.

The Cumeral Property is situated in the under-explored Sierra Madre Occidental along the well mineralized "Sierra La Jojoba" trend, approximately 15 km northeast of the Mina Lluvia de Oro and Mina La Jojoba deposits which host over 26 million tonnes of measured, indicated and inferred resources grading 0.525 to 0.741 g/T gold (over 500,000 ounces of gold). This area of Sonora is host to numerous other gold deposits and mines, including Fresnillo PLC's & Newmont Mining Company's La Herradura Gold Mine which in 2009 produced over 255,000 ounces of gold and has proven and probable reserves of 193 million tonnes grading 0.65 g/T gold (4.1 million ounces). Other deposits in the area include the San Francisco (780,000 ounces of gold reserves) and La Colorada (605,000 ounces of measured and indicated gold resources).

Exploration has included geological mapping, prospecting and rock chip sampling over a 120 hectare area in the vicinity of the old pits and shallow shafts (Tularcito area). Regional sampling has given values as high as 12.65 g/T, and has defined five areas of gold/silver mineralization (Areas A to E) associated with strong alteration (sericite and quartz veining) with associated pyrite and hematite, trending in a northwest-southeast direction. The host units are heavily oxidized quartz sericite to biotite/muscovite schists. The Company also completed 28 air track drill holes totalling 572 metres with 15 holes in Area B and 13 holes in Area C.

Area B, the main area of the artisanal (gambusino) workings, covers an area of 155 by 180 metres. Air track drilling returned values as high as 1.45 g/T gold and 6.74 g/T silver over 14 metres including 4.19 g/T gold over 4 metres. Other values varied from insignificant to 0.42 g/T gold and 14.56 g/T silver over 10 metres. Eight of the holes returned values of 0.1 to 0.4 g/T gold and 1 to 4 g/T silver over widths varying from 4 to 22 metres. Air track drilling on Area C which covered an area of 115 by 200 metres, also gave significant values including 0.44 g/T gold and 0.48 g/T silver over 10 metres, and 0.21 g/T gold and 0.53 g/T silver over widths varying from 6 to 26 metres. Area A which covers an area of 80 by 300 metres, in the northern part of the Property, consists of quartz veins / veinlets carrying minor malachite and azurite. The north copper vein along the contact of a mafic dyke, gave a value of 2.2 g/T gold, 493 g/T silver and 3.73 percent copper from a grab sample. Area D which covers an area of 100 by 270 metres and Area E which covers 140 by 200 metres, located in the southern part of the Cumeral Property, also shows good potential.

In 2011/12, exploration, including geological mapping, rock chip sampling and soil geochemistry was carried out by independent geological consultants, with a National Instrument 43-101 report on the property prepared by Michel Boily, PhD, P.Geo. (filed on SEDAR). Combined results from the 2010-2012 mapping/rock sampling programs show high gold values (i.e 0.5 to >10 g/t) in hematized and pyritized quartz veins/veinlets associated with mylonitized, gently eastward-dipping, low angle (20º to 40º) faults. Geological mapping in the southern segment of the property has defined at least ten gold-mineralized structures generally confined to areas tested by the air track drilling program of 2010.

A soil geochemical survey carried out to the north of the area covered by the detailed mapping and rock sampling program gave three anomalous areas with values of >50 ppb Au defined within zones characterized by a paucity of outcrops or in unmapped regions (News release June 12/12). The soil geochemistry, in conjunction with gold analyses from rock and soil samples taken from 2010 to 2012, gives a general NNW-SSE trend of elevated values extending for 4 km remaining open to the north and south along trend. Mapping to the west and north of the mineralized zones suggests a similar tectonic/geologic environment with the potential for gold-mineralized areas of similar quartz/pyrite/hematite veins.

Rock and soil samples were sent to the ALS Chemex laboratories in Chihuahua, Zacatecas or Hermosillo, Mexico. All Au analyses were by Fire Assay with a gravimetric finish. All other assays were performed by ICP-AES or AAS methods. Samples with ore grade values (>100 ppm Ag, >10,000 ppm Cu) were re-analyzed by ICP-AES or AAS. Gold values in soil samples (at least 25g) were determined by ICP-MS following digestion in Aqua Regia. A compilation map showing the soil geochemical anomalies and gold mineralization is filed on SEDAR as part of the June 12, 2012 news release and is also shown on the VVC website http://www.vvcexpl.com/news-releases/2012.html .

The Company plans to carry-out systematic exploration in 2014, including drilling, in all prospective areas dependent upon financing. Based on the geological setting and known deposits in the area, it is believed that the Cumeral Property has the potential to host significant gold / silver deposits in the 500,000 to 1 million ounce range.

Escondida Property

The Escondida property is located in the northern Sonora State, Mexico, 120 km NNE of the city of Hermosillo and approximately 140 km to the south of Tucson, Arizona. It was acquired in the acquisition of Camex/Meus. On May 24, 2011, Meus entered into an agreement with three individuals to assign a 100% interest in 2 mineral concessions covering 178 hectares, (the Escondida property), for US$502,000 (CA$552,200). The Company agreed to grant in favor of the assignees 1% of NSR as Royalties derived from the exploitation of the concessions. The Company may acquire preferentially the right to collect royalties by paying the assignees the price of $US700,000 plus value added tax (IVA). The Company is currently renegotiating with the Vendors a new payment schedule and will be making a payment after the negotiations are completed. To date the Company has paid an aggregate of US$174,000 (CA$191,400).

Escondida is an epizonal gold-silver-zinc deposit, with three major mineralized structures, covering 178 hectares with significant values of silver and gold in surface grab samples.

The property is located in the Sonoran Desert region, part of the southern Basin and Range of northwestern Mexico in the Mojave-Sonora geological domain, which is composed of Middle Jurassic volcanic and sedimentary strata, as well as fossiliferous Late Jurassic (Oxfordian and Kimmeridgian) beds within a belt traversing the southern parts of the Southern Papago and Nogales-Cananea- Nacozari domains.

A 43-101 report by Michel Boily PhD, P.Geo. dated April 20, 2013, filed on SEDAR on October 7, 2013, confirms that Escondida represents a property with an epithermal, intermediate sulphidation, zone with good silver and gold potential. The mineralization is in three ENE-WSW-oriented quartz vein swarms - La Generosa, La Discreta and La Abundancia, with silver and gold values in sulphide minerals (acanthite, argentite, galena, jamesonite and pyrargerite and their oxide alteration products (hematite, goethite, limonite). The gold and silver mineralization is associated with high values in As, Sb and Pb. La Generosa swarm is the most enriched in precious metal with averages of 172±495 ppm Ag and 0.70±1.40 Au g/t (n=52). The large standard deviation reflects variations in Ag and Au which are attributed to the heterogeneous distribution of Au and Ag-bearing mineral in the veins. The veins dip steeply to the S/SSE at 60°-80° and the wall rock is strongly fractured and altered to iron oxide and less frequently, silicified or kaolinitized. The La Generosa quartz veins/veinlets are hosted by gabbroic sills hinting at a genetic association between precious metal enrichment and a mafic protolith.

The majority of the exposed units are part of the Upper Jurassic, rift-related, rocks of the Cucurpe Formation which occupies a narrow, elongate basin of Late Jurassic age termed the Altar-Cucurpe Basin. On the property, the Cucurpe Formation metasediments are composed of black shale, with interbeds of limestone, siltstone and sandstone. The metasediments are deformed according to their competency, with the shale beds showing folding, shears, and thrust faulting. The sedimentary succession is cut by EW-oriented gabbroic dykes/sills with most dipping steeply to the SSW (60°-75°). Conglomerates and sandstones of the Lower Cretaceous Morita Formation discordantly overlie all units.

A ground magnetic survey and prospecting/geological mapping over a grid 1.2 km x 800 m, with NS-oriented lines at 50 m intervals (Figure 10) is planned. The objective is to define the gabbroic sills/dykes through their contrasting magnetic signature relative to the Cucurpe shales/sandstones and to locate any undiscovered surface mineralization. Quartz vein systems in gabbroic sills/dykes are the target for precious metal mineralization (ie La Generosa veins). This Phase 1 exploration is expected to cost approximately $50,000.

No drilling is known to have tested the zones with only a few gambusino pits / shafts noted. Contingent on the Phase I results, diamond drilling will evaluate key targets to evaluate the the veins and their depth extension. The planned drilling is expected to cost $500,000 and is financing dependent.

Targets are:

1) saddle reef mineralization at the western end of the La Discreta vein.
2) the two principal veins - La Generosa and La Discreta and the associated mineralized gabbroic dykes/sills.
3) the northern end of the property – the depth extension of the La Abundancia and possible mineralization associated with numerous gabbro dykes and sills.

La Tuna Property

In March 2010, the Company acquired a 3,533 ha gold project known as “La Tuna” located in the Municipality of Alamos, Sinaloa State, Mexico, at the junction of the Rio Fuerte and Rio Baboyahui rivers. VVC Mexico acquired a 100% interest in consideration of a one-time payment of US$40,000 plus applicable taxes and the issuance of 300,000 common shares of the Company. The Property is subject to a 2% NSR Royalty derived from mineral production, with a buy-back option. On March 6, 2013, VVC Mexico entered into an Option Agreement with Exploración Río Placer S. A. de C. V. (the “Optionee”) for the Property. During the 12 year term of the Option Agreement, ending on December 31, 2025, the Optionee had exclusive mining rights to the Property with VVC Mexico entitled to a 1% NSR Royalty payable on a monthly basis on every dry metric tonne of ore processed up to US$3,000,000 with a buyback option for US$1,000,000 . The Optionee had the option to acquire a 100% interest in the La Tuna concessions by making all required NSR royalty payments and additional payments totalling US$500,000. A payment of US$20,000, due upon the signing of the agreement, was paid by the Optionee however the Optionee has given notice of termination to the Company as provided in the Option Agreement and the agreement is no longer in force.

The Property has gold potential in paleo placers, present day placers derived from the paleo placers and vein type deposits such as the La Perdida deposit. The river placer deposit and the paleo-placer zones are located mainly along the Rio Baboyahui near the river junction extending to the Rio Fuerte, an area of approximately 500 by 500 meters. The paleo-placer zone carries gold associated with magnetite (from black sand) which may allow definition of the paleo-channels by magnetic surveys. Limited historical sampling in the Year from 1987-91 in a "drift" in the paleo-placer mineralization gave a grade of 1 to 3 g/m^3 Au in one of these paleo-channels. Historical data (non 43-101 compliant) from 1994 indicates that the area contains 3.7 million m^3 at 2 g/m^3, equivalent to approximately 200,000 ounces of gold. It should be noted that the "paleo placer" was sampled as a placer deposit and since it is a hard rock deposit it should be sampled by weight using channel, chip or core samples not bulk samples of cubic metres, which has little relevance in a hard rock deposit. Given the non 43-101 compliant nature of the "resources" and the sampling method used, the results noted above should be treated with caution.

The "La Perdida" vein type deposit is located in the north-west part of the Property. The structure which hosts the deposit, trends north-west and dips 25 degrees to the south-east. Historical results from 4 grab samples gave values from 3.29 g/t to 16.23 g/t Au, with three of the samples grading more than 10 g/t Au. The samples were taken from the portal (12.49 g/t), from the ore zone within the deposit (3.29 and 16.23 g/t) and from development muck (11.24 g/t).

Although still owned, with reasonable potential, the Company has elected to write-down the value of La Tuna to nil due to the fact that substantial exploration costs would be required to identify the true potential of this property. The Company feels that there are more immediate opportunities with its other property interests. The Company will continue to look for ways to generate cash flow from this property, either by way of optioning or sale to a third party.

(B) Mineral Properties in Canada

Timmins area properties (Ontario)

In fiscal 2008, the Company staked a 9 claim unit property in Timmins Township of Ontario (the "Timmins Twp. Property"), located about 50 km southeast of Timmins, in the Abitibi Greenstone Belt of Northern Ontario. The Property, located in the centre of Timmins Township is deemed to be a prime base metals exploration target as it covers a northwest trending zone of strong airborne electromagnetic responses within a complex magnetic system. An initial program comprising line cutting and detailed geophysical surveys including magnetic, VLF and HLEM electromagnetic surveys was completed with 2 drill targets identified. The encouraging results from these surveys justifies further exploration, however no further work has been carried out since the Company is focused on opportunities considered more economically viable in Mexico.

Due to the lack of follow-up exploration, the Timmins Twp. Property was written down to a minimal value although the Company still retains title. The Company currently has no plans for this property as it is focusing its efforts on the Mexican properties, while maintaining an interest in the property and attempting to joint venture it.

(C) Segmented Expenditures per Property

To date, the Company has spent the following on its mineral properties:

	La Tuna	**Cumeral**	**Timmins Twp.**	**Escondida**	**Total**
	01-Feb-13	01-Feb-13	01-Feb-13	01-Feb-13	01-Feb-13
Opening Balance	110,964	1,351,955	2		1,462,921
Administration	(5,139)	8,203			3,064
Drilling and exploration	(25,972)	99,865			73,893
Consulting	(2,345)	93,461			91,116
Geologist	-	1,771			1,771
Camp and travel	-	39,960			39,960
Acquisition	-	161,413		217,537	378,950
Supervision	(1,759)	117,137			115,366
Assaying and analysis	(31,152)	34,482			3,330
General expenses	(16,126)	290			-15,836
Claims and taxes	(28,471)	48,925		133,969	154,423
Recoveries					-
	0	1,957,463	2	351,506	2,308,971

	La Tuna	Cumeral	Timmins Twp.	Escondida	Total
	01-Feb-12	01-Feb-12	01-Feb-12	01-Feb-12	01-Feb-12
Opening Balance	79,628	863,980	2		943,610
Administration	5,139	126,023			131,162
Drilling and exploration	-	-			-
Consulting	-	-			-
Geologist	1,759	8,187			59,946
Camp and travel	-	3,289			3,289
Acquisition	-	212,680			212,680
Supervision	-	-			-
Assaying and analysis	389	29,157			29,546
General expenses	-	1,360			1,360
Claims and taxes	24,049	57,279			81,328
Recoveries					-
	110,964	1,351,955	2	0	1,462,921

(D) Samalayuca Cobre S.A. de C.V. ("Samalayuca Cobre")

VVC Mexico, through its acquisition of Camex, owns 33.75% of Samalayuca Cobre, the owner of the Kaity claim (the "Kaity Property"), which covers stratiform copper mineralization along the Samalayuca Sierra. Firex, S.A. de C.V. ("Firex"), a 25% owner of Samalayuca is a mining engineering company who has agreed to provide up to $7 million for test mining startup and a pilot plant, which could generate cash flow when in production. The remaining interest in Samalayuca is owned 28.125% by Invesmin San Miguel S.A. de C.V. and 13.125% by Inversiones Agrofinancieras de Panama, S.A. The technical details of the project are given below. See "Major Transaction" for more details.

The Kaity Property comprises one mining concession totaling 1623 ha located in Chihuahua State, approximately 60 km southwest of Juarez MX / El Paso, Texas. It is road accessible via Highway 45 and a number of roads that extend around the Samalyauca range. The Kaity Property covers a stratiform, sedimentary copper deposit in Permian age, chloritized sandstones with significant gold and silver values over a mineralized zone of at least 5 km. The Samalayuca Sierra has been explored for copper since the early 1960's with some, small scale, artisanal mining from open pits carried out over a few years in the 1960's. The artisanal miners defined a potential lateral extension (strike length) of copper mineralization of at least 4 km. Camex (now owned by VVC Mexico) work has included 395 mostly chip/channel samples, from the various deposits / showings along the trend, most of which gave copper values ranging from 0.1 to 0.8 %, with a number of values >1% copper. From east to west the zones include: La Suerte, La Zorra, La Juliana, La Gloria and La Concha.

A 43-101 report by Michel Boily, PhD, P.Geo., dated April 20, 2013 and filed on SEDAR on October 7, 2013, describes the property and mineralization as follows: "The mineralized rocks form part of a pluri-kilometer-thick sedimentary assemblage deposited in the Chihuahua trough from the Paleozoic through Early Cretaceous eras. This vast sedimentary trough is a right-lateral pullapart basin that underwent important deformation during the Late Cretaceous-Early Tertiary Laramide orogeny. The sedimentary formations containing the Cu mineralization consist of a cyclic sequence of fine- to coarse-grained sandstones (chloritized quartzites /arenites) with subordinate phyllitic and conglomeratic intervals which exhibit low grade regional metamorphism. The copper mineralization (1-10%) occurs as fine-grained primary and supergene copper sulphides, including digenite, chalcocite, covellite, bornite and chalcopyrite. Oxidized copper minerals such as malachite and azurite are common as coating and in fractures. Metallurgical tests on heap leach and vat leaching processes for Cu-ore beneficiation determined that the optimum procedure is a vat leaching using an ore granulometry of -3/8", a time of lixiviation of 30 days followed by a wash Year of eight days, with industrial grade sulfuric acid concentrations of 3.0%. Exploration work conducted by VVC Exploration since 2010 consists of geological and structural mapping of the key Cu-mineralized areas including the open mined pits. Channel sampling was performed vertically and perpendicular to the strike of all sandstone layers exposed in the mining pits. The assay results from the collected samples served as a basis or calculating an Inferred Resources which was set at 4,100,281 t grading 0.47 wt. % Cu and 5.8 g/t Ag.

Due diligence – Three selected grab samples taken during a due diligence visit by Peter Dimmell in July, 2013, prior to the Camex acquisition by VVC Mexico, gave the following results from selected hand samples: La Gloria Main Pit – 2.77% Cu, 21.2 g/T Ag; La Juliana – 21.6% Cu, 184.8 g/T Ag; La Suerte – 1.38% Cu, 9.5 g/T Ag. The high grade sample from La Juliana was a chalcocite vein in quartz carbonate approximately 2 cm wide while the samples from La Gloria and La Suerte were disseminated malachite and azurite in sandstone, typical of the mineralization noted along the Samalayuca trend.

Plans - Samalayuca Cobre is working with an environmental law firm for authorization from CONANP and SEMARNAT (Mexican government groups responsible for the environment) for the environmental and mining permits. The Project is supported by the local community in this process. Samalayuca Cobre is on track to start mine preparation work in mid 2014, dependent upon permitting. Firex, has signed a contract with Samalayuca Cobre to manage the mining process and provide up to $7 million in start-up loans to Samalayuca Cobre. Some previously mined low grade material is available on site for the first heap leach pad planned for late 2014 to test and fine tune the heap leach system while the first mined material is planned for a heap leach pad in early 2015. If all goes as planned, the first revenues could be received in early to mid 2015. It should be noted that a feasibility study has not been completed and there is no certainty that the proposed operation will be economically viable or will conform to the planned timetable.

SELECTED ANNUAL INFORMATION

Set forth below is a summary of the financial data derived from the Company's consolidated financial statements for the past 3 years (CA$).

	2014	**2013**	**2012**
Net loss for the year	**$ (940,946)**	**$ (720,950)**	**$ (973,306)**
Total assets	**4,784,790**	**2,060,046**	**1,058,338**
Mineral exploration properties written off	**90,586**	**-**	**-**
Stock-based compensation	**125,515**	**98,484**	**204,610**

RESULTS OF OPERATIONS – THREE MONTHS

The Company had an operating loss of $249,244 for the three months ended January 31, 2014 as compared to $13,656 for the same period in 2013. The significant changes were in investor relations, stock-based compensation, and travel and promotion. The cumulative difference of these three categories was $176,775.

During the quarter, the Company expended significant effort in securing financing to sustain the Company and to maximize on its new Camex acquisition. As a result investor relations increased by $37,516 over 2013. The expense in Q4 of 2014 was $63,046 versus $25,530 in Q4 of 2013. The expected increase is a result of meetings, road-shows and other investor relations activities. These activities contributed to a financing that was closed subsequent to the year end.

Travel and promotion also increased over 2013 by $30,141. This increase was directly tied to the increase in investor relations and the acquisition of Camex. The Company needed to have numerous trips to Montreal, the United States and Mexico during its due diligence process in preparation for the acquisition of Camex. Additionally, the securing financing, the cost of road-shows and ancillary travel costs contributed to this increase from $15,370 in 2013 to $45,511 in 2014. These travel and promotional activities yielded success for the Company. The Company acquired Camex and an interest the Samalayuca property and an interest in the Escondida property. The Company also closed a financing subsequent to the year end.

Stock-option compensation increased by $109,118 over the same period in 2013. The Company granted 8,000,000 stock options in January 2014 which was the driver of this increase. No stock options were granted in 2013. The Company considers the granting of stock options to key staff, directors and consultants as an imperative element in attracting and retaining quality talent. Stock-based compensation was $8,872 in 2013 and $117,990 in 2014.

RESULTS OF OPERATIONS – TWELVE MONTHS

The Company's operating loss for the year ended January 31, 2014 was $940,946 compared to a loss of $720,950 for the same year ended January 31, 2013. A number of operating expenses saw significant increases over 2013, namely: management and consulting fees - $86,779, investor relations - $61,243 and stock-based compensation - $27,031.

As was previously disclosed, investor relations was expected to increase over 2013 as this expense had a direct bearing on the acquisition of Camex. The $61,243 increase in investor relations expense was a result of meetings, shareholder communication, roadshows and other investor communication required to build confidence in the Company's Camex transaction along with encouraging future financing opportunities. The Company successfully closed a financing of gross proceeds of $857,475 subsequent to the year end.

Due to lack of funds in 2013, management decided to take a reduction in compensation to ensure funds were available to complete budgeted projects and mineral explorations. The Company is experiencing similar financial challenges in the current Year. It was, however, decided that management, while not getting the cash currently, would continue to accrue the fees due to them.

In lieu of not receiving the cash for current services, management and some consultants were approved to receive compensation shares. During the Year, 1,275,000 common shares were issued as compensation shares to management and certain consultants, valued at $63,750, this amount in conjunction with the normalized fees over 2013 resulted in the increase of $86,779.

Stock-option compensation increased by $27,031 over 2013. The Company granted 8,000,000 stock options in January 2014 which was the driver of this increase. No stock options were granted in 2013. The expense in 2013 was a result of the expense associated with vested stock options that were granted in years prior to 2013. The Company considers the granting of stock options to key staff, directors and consultants as an imperative element in attracting and retaining quality talent.

During 2014, the Company had a loss of $2,120 which was its share of loss in an equity accounted investee along with a write-down of $90,586 of exploration expenses relating to the La Tuna property in Mexico. The Company did not have those losses or similar losses in 2013. Until the Samalayuca copper property becomes profitable, the Company will continue to experience and report a 33.75% loss in the operations of Samalayuca.

The Company experienced a reduction in professional fees of $51,675 over 2013 due to the classification of a portion of the professional fees paid in 2014 as a cost of the acquisition of Camex. Legal fees are expected to remain comparably low in 2015.

SUMMARY OF QUARTERLY RESULTS

Set forth below is a summary of the financial data derived from the Company's consolidated financial statements of the 8 most recently completed quarters.

	Jan 31/14	Oct 31/13	Jul 31,/13	Apr 30,/13	Jan 31/13	Oct 31/12	31-Jul-12	Apr 30/12
Operating Costs	208,672	302,298	208,627	161,680	7,056	124,998	243,143	356,529
Loss on disposition of asset	-	-	-	-	-	-	-	3,832
Foreign exchange	46,382	(26,984)	(484)	8,371	(1,235)	(4,457)	(16,751)	-
Income taxes	5,752	-	-	-	7,835	-	-	-
Write-down of mineral property	(90,586)	-	-	-	-	-	-	-
Share of loss in equity investee	(2,120)	-	-	-	-	-	-	-
Net (loss)	(249,244)	(329,282)	(209,111)	(153,309)	(13,656)	(120,541)	(226,392)	(360,361)

MATERIAL EVENTS OVER THE EIGHT MOST RECENT QUARTERS

Over the last eight quarters, the Company experienced a number of unusual events that resulted in the Company's losses being magnified.

In Q4 2014, the Company had a loss of $2,120 which was its share of loss in an equity accounted investee along with a write-down of $90,586 of exploration expenses relating to the La Tuna property in Mexico. The Company did not have those losses or similar losses in 2013. Until the Samalayuca copper property becomes profitable, the Company will continue to experience and report a 33.75% loss in the operations of Samalayuca.

In Q3 2014, the Company acquired Camex by issuing 59,900,000 common shares at a value $0.05 per share for a total purchase price of $2,995,000. Closing the Camex transaction resulted in a number of unusually high expenses for the quarter compared to previous quarters.

Management and consulting fees increased by approximately $60,000 over the previous quarter, primarily driven by the value of the 1,275,000 compensation shares issued to management and consultants.

Office and sundry also increased by approximately $30,000 over Q2 2013. This increase was a result of the fees paid to the TSX venture exchange for closing the Camex Transaction.

In an effort to focus its energy on high potential exploration projects, mainly in Mexico, the Company wrote off many of its exploration properties in Q4 2011 and is now in a position to dedicate its financial and operational resources to the Cumeral, Escondida, Samalayuca Copper Project and La Tuna properties in Mexico.

In Q4 2012, the Company wrote off $213,163 of IVA taxes receivable as the Company is experiencing some challenges collecting it from the Mexican Government.

Since October 2011, the Company has been incurring interest expense as a result of $504,562 (Originally - $613,807) of related party loans to the Company via promissory notes that bear interest rates ranging from 12% to 15% per annum. The interest expense incurred in 2013 represents the amount that is expected to be incurred annually until the debt associated with this expense is satisfied. Should the Company raise additional debt financing, this amount would increase.

DISCUSSION OF OPERATIONS

Prior to October 19, 2013, the Company had one major property in which it was focussing significant financial and operational resources. The Cumeral property, a 665 ha gold mining project, located in the State of Sonora, Mexico has proven to have good potential for significant gold/silver mineralization. The Company has therefore designed a 2013-2014 strategy round further prospecting, geological mapping, diamond drilling and assaying to allow for better prioritization of targets. In specific areas of the property, the Company intends to carry out further grass-root exploration including, a) extending the soil geochemistry to the NW and SE along strike – use the regional prospecting to target the soil geochemistry; b) detailed prospecting / mapping on soil anomalies as they are found to define drill targets; c) diamond drill the A and B mineralized zones using the existing soil geochemistry to target the drilling plus drill any new soil anomalies located; d) diamond drill the C, D and E zones using the new target model generated from the 2012 RC drilling.

During 2014, the Company completed a major transaction in acquiring Camex. This acquisition exposed the Company to a number of additional opportunities. Details of the acquisition are set forth below under "*Major Transaction*"

As part of the Camex acquisition, the Company beneficially acquired the "Escondida" Property. This property has received recommendations for additional development and exploration as preliminary results show the potential for significant mineralization. The Company has not yet planned exploration for 2014 however this exploration is pending acquisition of funds.

The Company also beneficially acquired 33.75% interest in Samalayuca Cobre which owns the Kaity Claim ("Samalayuca Copper Project"). Previously mined, low grade copper mineralization, is available on site for delivery to the first heap leach pad planned for early to mid summer, 2014, in order to test and fine tune the heap leach system.

Firex, a Mexican company, specializing in construction and operation of open pit mining projects, has signed a contract with Samalayuca Copper to manage the mining process and provide up to $7 million in start-up loans. The operation is hoped to be revenue producing by the 3rd quarter of 2014. Pursuant to a Loan Agreement dated September 7, 2011 and amended on January 26, 2012, Camex is committed to paying the cost of obtaining all necessary permits up an aggregate of $2 million. As at January 31, 2014, Camex had advanced $188,000 to Samalayuca Cobre and accrued $20,000 of interest. Additional advances to-date by the Company amounts to $85,000.

MAJOR TRANSACTION

On October 18, 2013, the Company completed the acquisition of Camex and its wholly owned Mexican Subsidiary, Meus. The Company acquired all of the issued and outstanding shares of Camex, including common, preferred, non-voting, voting and participating shares, as well as all options, warrants and other securities convertible into shares of Camex, in exchange for the issuance of 59,900,000 common shares of the Company. With this acquisition the Company acquired additional mineral properties in Mexico, along with an interest in the Samalayauca Copper Project where production is planned for this year.

Details of the acquisition are as follows:

Fair value of 59,900,000 shares issued	$ 2,995,000
Transaction costs	128,970
	$ 3,123,970

Recognized amounts of identifiable net assets:	
Cash	$ 4,266
Trade, other receivables and prepaid expenses	365,870
Notes receivable	376,099
Investments in the equity of other companies	2,275,772
Property and equipment	11,548
Mineral property and exploration costs	289,689
Trade payables	(37,763)
Short-term debt	(161,511)
Net assets acquired	$ 3,123,970

The acquisition was settled by issuing 59,900,000 shares of the Company. The fair value of the shares issued was based on the market value of the Company's traded shares on the acquisition date.

Included in investments in the equity of other companies is 5,058,594 shares of the Company valued at $252,930. Since the Company is not allowed to hold its own shares as an investment, the shares were considered to have been redeemed on the date of acquisition.

LIQUIDITY AND CAPITAL RESOURCES

As at January 31, 2014, the Company had a working capital deficiency of $515,482 compared to a working capital deficiency of $100,215 at January 31, 2013. The Company continues to experience losses. The Company will need seek financing additional financing as it does not have sufficient capital to cover its operating expenses and meet its exploration programs. Accounts payable continues to increase due to lack of funds to cover its expenses. Accounts payable increased from $182,022 at January 31, 2013 to $739,569 at January 31, 2014. Additionally, the Company has not been able to reduce its debt, so interest expense continues to grow.

At January 31, 2014, the Company had current assets of $442,087 (January 31, 2013 - $594,204). This amount is not sufficient to cover the Company’s operating expenses and exploration commitments approximating $700,000 and $180,000 respectively. Additionally, the company is planning to spend approximately $1,000,000 on exploration programs in 2014. To obtain financing, the Company may need to issue common shares or obtain funding through additional promissory notes.

Due to the exploration stage of the Company, it has not generated in revenues or profits. As a result, the Company’s funding has historically come either through the sale of shares, exercise of options and or warrants or the borrowing of funds from third parties. As a result of the recent low trading range of the Company’s shares, it is unlikely that it will be able to obtain funding through the exercise of any of its 28,571,620 warrants or 10,035,000 stock options currently outstanding. The lack of revenue and income also make it challenging to borrow funds. The Company is therefore left with the most likely source of funding to be the sale of treasury stock through private placement offerings. The Company is currently in the process of raising financing through a Private Placement up to a maximum of $1 million. To date has been determined as to when this financing will be closed.

The closing of the major transaction with Camex provides management with a high degree of confidence that it will be able to raise additional capital to make its committed option payments, complete the proposed exploration programs cover its operating expenses and settle its current accounts payable.

To assist with the current lack of funds, On December 13, 2013, the Company entered into a Credit Agreement with Palos Merchant Bank LP for a short-term loan of $50,000, secured by a promissory note bearing interest at 12% per annum, compounded monthly. The principal balance of the loan and accrued interest is due on December 12, 2014.
It is important to note, however, that although the Company has been successful in the past in raising funds, there can be no assurance that any funding required by the Company in the future will be made available to it and, if such funding is available, that it will be offered on reasonable terms.

Additionally, Subsequent to the year end, On March 5, 2014, the Company completed a non-brokered private placement of 17,149,500 units of the Company at a price of $0.05 for gross proceeds of $857,475. Each units consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of $0.12 per share for two years and $0.18 thereafter until March 4, 2019. The Company paid $22,091 in finders' fees of which $8,616 was paid in cash and $13,475 was paid by the issuance of 269,500 shares of the Company.

GOING CONCERN

The ability of the Company to continue as a going concern is dependent on the successful completion of actions taken or planned. In order to meet future expenditures and cover administrative costs, the Company will need to raise additional financing. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms favourable to the Company. As at January 31, 2014, the Company has accumulated losses of $28,875,368 and has a working capital deficit of $515,482.

These factors raise substantial doubt regarding the Company's ability to continue as a going concern. The consolidated financial statements and this MD&A do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

OFF-STATEMENTS OF FINANCIAL POSITION ARRANGEMENTS

There are no off-statement of financial position arrangements.

RELATED PARTY TRANSACTIONS

Compensation to key management personnel were as follows:

	Year ended January 31, 2014	Year ended January 31, 2013
Compensation	**$ 267,250**	$ 261,790
Share-based payments (1)	**107,326**	75,959
Total	**$ 374,576**	$ 337,749

(1) Share-based payments are the fair value of options granted to key management personnel and expensed during the Year or compensation shares issued.

During the year, the Company paid $39,500 (2013 - $nil) to an individual related to the president of the Company for consulting services rendered in assisting the Company with arranging financing. The assistance came by way of arranging meetings, introductions and road shows. During the year, the Company also issued 1,925,000 compensation shares to the officers, directors and certain consultants of the Company. $96,250 (2013 - $nil) has been recognized as expense in the consolidated statements of loss and comprehensive loss in respect of these compensation shares.

During 2013, an automobile was sold by the Company to a member of key management for gross proceeds of $10. Key management personnel of the Company subscribed to 1,661,500 units of the private placement for gross proceeds of $83,075. Included in the share issue costs related to the private placement are finder's fees and other amounts of $51,854 paid to a member of key management and a close family member of key management.

Included in accounts payable and accrued liabilities is $200,452 (2013 - $7,910) payable to key management personnel and directors.

OUTSTANDING SHARE DATA

a) Outstanding Common Shares

	Number of shares
Balance, January 31, 2014	152,047,581
Balance, May 28, 2014	169,466,581

b) Warrants and Stock Options

The continuity of the outstanding share purchase warrants at January 31, 2014 is as follows:

Expiry Date	Exercise Price	Balance January 31, 2013	Warrants Issued	Warrants Exercised	Expired/ Cancelled	Balance July 31, 2013
April 11, 2014*	**$0.12 - $0.18**	**1,650,000**	**-**	**-**	**-**	**1,650,000**
August 31, 2014	**$0.12 - $0.18**	**7,751,620**	**-**	**-**	**-**	**7,751,620**
January 25, 2015	**$0.12 - $0.18**	**19,170,000**	**-**	**-**	**-**	**19,170,000**
	$0.12 - $0.18	**28,571,620**	**-**	**-**	**-**	**28,571,620**

As at May 28, 2014, there were 44,071,120 warrants outstanding to purchase common shares of the Company at either $0.12 or $0.18 per share.

The weighted average remaining contractual life and weighted average exercise price of options outstanding and of options exercisable as at January 31, 2014 and May 28, 2014 are as follows:

Options Outstanding				Options Exercisable	
Exercise Range	**Number Outstanding**	**Weighted Average Exercise Price**	**Weighted Average Remaining Contractual Life (years)**	**Number Exercisable**	**Weighted Average Exercise Price**
$0.07 - $0.14	8,000,000	$ 0.07	4.97	2,000,000	$ 0.07
$0.15 - $0.20	1,200,000	$ 0.20	7.71	1,200,000	$ 0.20
$0.28 - $0.29	575,000	$ 0.28	0.14	575,000	$ 0.28
$0.36 - $0.36	260,000	$ 0.36	0.45	260,000	$ 0.36
	10,035,000	$ 0.10	4.13	4,035,000	$ 0.15

During the year, the Company granted 8,000,000 stock options to purchase common shares at a price of $0.07 for a period of 5 years. No stock options were granted in the prior year. The fair value of the 8,000,000 stock options granted was estimated at $420,960 using the Black-Scholes model for pricing stock options and the following assumptions: risk free interest rate of 1.66%, dividend yield of nil, expected volatility of 114.98%, expected life of 5 years and the stock price on the date of grant was $0.065

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, other receivables, note receivable and accounts payable and accrued liabilities, short-term debt and amounts due to related parties. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments.

The fair value of financial assets and liabilities together with the carrying amounts in the consolidated balance sheets are as follows:

	January 31, **2014**	2013
Fair value through profit or loss, measured at fair value:		
Cash	**$ 198,811**	$ 513,674
Loans and receivable, measured at amortized cost:		
Deposits and other receivable	**$ 35,276**	$ 80,530
Note receivable	**$ 208,000**	$ -
Other liabilities, measured at amortized cost:		
Accounts payable and accrued liabilities	**$ 739,569**	$ 182,022
Short-term debt	**$ 218,000**	$ -
Due to related party	**$ -**	$ 504,562

The fair value of the Company's financial assets and liabilities approximates their respective carrying values as at the balance sheet dates because of the short term maturity of these instruments.

Financial instruments recorded at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - valuation based on quoted prices (unadjusted) observed in active markets for identical assets or liabilities.

Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly.

Level 3 - valuation techniques based on inputs for the asset or liability that are not based on observable market data.

At January 31, 2014 and January 31, 2013, cash was measured using level 1 inputs.

Liquidity Risk

The Company has no income and relies on equity financing to support its exploration programs. Management prepares budgets and ensures funds are available prior to commencement of any such program. As at January 31, 2014, the Company does not have sufficient capital to fund its operations over the next twelve months. As at January 31, 2014, the Company had a cash balance of $198,811 (2013 - $513,674) to settle current liabilities of $957,569 (2013 - $694,419).

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and commodity and equity prices.

Interest rate risk

The Company has notes receivable and short-term debt bearing interest at fixed rates. Given the short-term nature of these
items, the Company is not exposed to significant interest rate risk.

Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. Commodity price risk is remote since the Company is not a producing entity.

Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

Sensitivity Analysis

The Company does engage in significant transactions and activities in currencies other than its reported currency. The Company's exploration activities are primarily in Mexico; accordingly, the resulting assets and liabilities are exposed to foreign exchange fluctuations.

The Company is exposed to foreign currency risk on fluctuations of financial instruments related to cash, accounts receivable and accounts payable and accrued liabilities that are denominated in Mexican Pesos. Sensitivity of closing balances to a plus or minus 10% change in foreign exchange rates, with all other variables held constant, would affect net income by approximately $5,819 (2013 - $39,801).

SUBSEQUENT EVENTS

(i) On March 5, 2014, the Company completed a non-brokered private placement of 17,149,500 units of the Company at a price of $0.05 for gross proceeds of $857,475. Each units consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of $0.12 per share for two years and $0.18 thereafter until March 4, 2019. $438,705 of the gross proceeds were received prior to the reporting date.

The Company paid $22,091 in finders' fees of which $8,616 was paid in cash and $13,475 was paid by the issuance of 269,500 shares of the Company.

(ii) On February 18, 2014, the Company repaid in full the remaining $18,000 short-term debt principal amount plus accrued interest (due December 3, 2013) to Palos Merchant Bank LP.

(iii) On April 4, 2014 and on May 27, 2014, Camex sold 800,000 and 1,612,000 shares of VVC to unrelated third parties for $40,000 and $50,000 respectively.

OTHER MD&A REQUIREMENTS

Risks

The Company's business of exploring for mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. These factors include the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting drilling results and other geological data, fluctuating metal prices, the possibility of project cost overruns or unanticipated costs and expenses, uncertainties relating to the availability and costs of financing needed in the future and other factors. The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Company will be profitable in the future, and the Company's common shares should be considered speculative.

The recoverability of amounts shown as mining interests and equipment, are dependent upon a number of factors including environmental risks, legal and political risks, the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying assets, the ability of the Company to obtain necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

There can be no assurance that any funding required by the Company will become available to it, and if so, that it will be offered on reasonable terms, or that the Company will be able to secure such funding through third party financing or cost sharing arrangements. Furthermore, there is no assurance that the Company will be able to secure new mineral properties or projects, or that they can be secured on competitive terms.

OUTLOOK

The Company's primary focus is the exploration of its wholly owned, Cumeral and Escondida, properties in Sonora State and near production, partially owned, Samalayuca mineral property in Chihuahua State, Mexico. Work on these properties is dependent upon the company raising significant exploration funding through private placements now ongoing. If exploration funding cannot be accessed these projects are good joint venture opportunities for companies looking to acquire projects in Mexico and more particularly in Sonora and Chihuahua states where exploration is increasing and opportunities for good projects are limited.

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