TRI-STAR RESOURCES PLC

Management's Discussion and Analysis
of the Financial Condition and Results of Operations

For the three months ended 31 March 2014

Dated 2 May 2014

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Tri-Star Resources plc – Management's Discussion and Analysis

This Management's Discussion and Analysis ("MD&A") has been prepared based on information available to Tri-Star Resources plc ("Tri-Star" or the "Company") as at 31 March 2014 and compares its financial results for the three months ended 31 March 2014 with the same period in the previous year. This MD&A should be read in conjunction with the Company's 31 December 2013 and 31 December 2012 audited Consolidated Financial Statements and the related notes. The audited Consolidated Annual Financial Statements and the related notes have been prepared in accordance with International Financial Reporting Standards. The financial statements are presented in UK Pounds Sterling which is the functional currency of the Company. The Company and its subsidiaries carry out transactions in UK Pounds Sterling, United States dollars, Turkish Lira, Canadian dollars and United Arab Emirates dirhams. The directors are keeping under review the functional currency of the Company.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING AND CONTROLS

The unaudited Consolidated Financial Statements of the Company for the three months ended 31 March 2014, and the comparative information for 2013, have been prepared by management of the Company ("Management") in accordance with International Financial Reporting Standards ("IFRS") and have been approved by the Company's Board of Directors (the "Board"). The integrity and objectivity of the unaudited Consolidated Financial Statements are the responsibility of Management. In addition, Management is responsible for ensuring that the information contained in this MD&A is consistent, where appropriate, with the information contained in the unaudited Consolidated Interim Financial Statements.

In support of this responsibility, Management maintains a system of internal accounting and administrative controls to provide reasonable assurance that the financial information is relevant, reliable and accurate, and that the Company's assets are appropriately accounted for and adequately safeguarded. When alternative accounting methods exist, Management has chosen those methods it deems most appropriate in the circumstances. The unaudited Consolidated Interim Financial Statements may contain certain amounts based on estimates and judgements. Management has determined such amounts on a reasonable basis to ensure that the unaudited Consolidated Interim Financial Statements are presented fairly in all material respects. The Board is responsible for ensuring that Management fulfils its responsibilities for financial reporting and internal controls. The Board carries out this responsibility principally through its audit committee. The audit committee is appointed by the Board and its members are not involved in the Company's daily operations. The audit committee meets periodically with Management and the external auditor to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy itself that each party is properly discharging its responsibilities.

INTRODUCTION

The following discussion is Management's assessment and analysis of the results and financial condition of the Company and should be read in conjunction with the Company's previous interim reports, which can be accessed on the Company's website at www.tri-starresources.com.

COMPANY OVERVIEW AND STRATEGY

Tri-Star Resources plc is an independent mining and mineral processing company, which is quoted on the AIM market of the London Stock Exchange plc (Ticker: TSTR:LN), engaged in the exploration, mining and downstream value added processing for an important minor metal - Antimony (Sb).

The Company's strategy is to be the leading integrated antimony metal and value added product manufacturer, utilising its modern and environmentally compliant roasting technology with raw material supplied from its upstream resource projects as well as from third party sources of antimonal concentrates.

The Company has antimony exploration licenses in Turkey and in Canada (New Brunswick) and a mining permit in Turkey. Tri-Star is proceeding to design and construct an antimony roaster with a capacity of 20,000 tonnes per annum in the Sultanate of Oman.

Antimony is an important minor metal with a wide range of industrial uses most notably as an additive in its trioxide form in flame retardant compounds particularly for printed circuit boards, computers and other electronic products. China has dominated antimony production for the last century and accounts for approximately 90% of the world supplies for the past decade according to reports by the US Geological Survey.

Tri-Star has a highly experienced management team with capabilities in exploration geology, mining, mineral processing, minor metal marketing and sales and finance.

The Company seeks to work to the highest environmental and social development standards in all of its activities, and have an internationally acceptable provenance on its products.

BUSINESS SUMMARY

Significant developments in 2014 have been as follows.

1. Oman Based Roaster Project

In July 2011, the Company began seeking partners in the Gulf Cooperation Council ("GCC") to investigate the siting and construction of an antimony concentrate roasting facility designed to meet EU environmental and GCC based standards, producing antimony ingot and value added products.

Memorandum of Understanding

The Company executed and announced, on 9 October 2013, the signing of a Memorandum of Understanding with proposed joint venture partners, Oman Investment Fund ("OIF") and Castell Investments Limited ("Castell"), to develop and build the proposed facility within the Port of Sohar in Oman.

Shareholders Agreement

Post the end of the period under review on 14 April 2014, the Company announced that it had entered into a shareholders agreement with Oman Investment Fund ("OIF") and Castell Investments Ltd ("Castell") in respect of Strategic & Precious Metals Processing LLC ("SPMP"), a joint venture company which is intended will construct and operate a 20,000 tonne per annum nameplate capacity antimony metal and tri-oxide manufacturing roasting facility in Oman (the "Roaster Project").

SPMP will be incorporated in the Sohar Free Trade Zone ("Sohar FTZ") in Oman. The Sohar FTZ is being developed into a major regional and international hub for the downstream processing of metals and minerals. It is served with excellent logistical nodes, including its close proximity to the Port of Sohar, and low energy costs. The fiscal regime for Sohar FTZ companies is also attractive with a zero corporation tax rate provided that certain Oman national employment levels are achieved. SPMP is expected to enter into a land lease over a 22 hectare plot in Sohar FTZ.

Under the Shareholders Agreement, the shareholders will own and control SPMP in the ratio 40% by Tri-Star Resources, 40% by OIF and 20% by Castell (the "Joint Venture Parties"). SPMP's Board of directors will comprise seven members, three of which will be appointed by OIF, two by Tri-Star, one by Castell and one jointly by Tri-Star and Castell. Key strategic and operational decisions of the joint venture will require the unanimous approval of all Joint Venture Parties.

The funding structure is expected to include at least US$30 million of project finance to be raised from local and regional banks. A number of banks in Oman have been contacted by the Joint Venture Parties and indicative loan financing terms have been received and are under consideration.

The balance of the capital cost of US$30 million to US$40 million is expected to include a mezzanine loan of US$10 million from OIF with the balance to be provided as equity by the Joint Venture Parties over the construction phase of the project.

The Roaster Project remains subject to a number of conditions including securing banking finance and obtaining the necessary permits to operate the Roaster including environmental approvals.

2. Canada

In April 2011, Tri-Star Antimony Canada Inc. ("Tri-Star Canada"), a subsidiary of the Company, acquired claims in Fredericksburg, New Brunswick in April 2011 (the "Stanley Claims") to assess a large antimony anomaly discovered in till geochemical mapping by the New Brunswick Department of Natural Resources. In May 2012, Tri-Star Canada registered a number of claim blocks that target another anomalous government till sample identified in early 2012 during a GIS survey of the area known as Greenhill.

Future work programs for both sites comprise establishing physical grids and subsequent geochemical sampling and mapping of the till and bedrock.

Acquisition of Portage

In 2013, the Company acquired Portage Minerals Inc. ("Portage"), a Canadian publicly-listed mineral exploration company with various antimony and gold deposits in Eastern Canada. On completion of the acquisition, Tri-Star became a reporting issuer in each of Ontario, Alberta and British Columbia and is subject to the continuous disclosure requirements of the relevant Canadian regulations in those jurisdictions, which include the publication of quarterly financial information.

On 7 February 2014, the Company announced an update on the exploration program carried out in late 2013 on the Bald Hill antimony property. The additional exploration on the Bald Hill property was completed to meet annual work requirements to maintain the property in good standing. The Bald Hill deposit, one of the largest undeveloped antimony projects in Canada, is located within the Annidale Belt, approximately 40 kilometres northwest of Sussex, New Brunswick.

As detailed in the 7 February 2014 announcement, previous exploration surveys had defined a 1km long extension to the mineralized zone which remained open in all directions. Soil geochemical surveys in late 2013 demonstrated a potential further 1.5km southeast extension to the Bald Hill deposit. The potential quantity and grade is conceptual in nature as there has been insufficient exploration to define a mineral resource and it is uncertain whether further exploration will result in the target being delineated as a mineral resource.

3. Turkey

Tri-Star's Turkey business unit comprises the evaluation and redevelopment of a historical artisanal mine in a known antimony belt in Göynük in the Murat Dagi mountains of western Turkey. The mine is about 250 kilometres east of the port of Izmir on the west coast and 50 kilometres north of Uşak. The Göynük deposit is undeveloped other than by small scale artisanal workings in the visible high grade mineralised zones. A dump of the former mine production is located on site.

The property comprises a mining licence of 24.68 hectares and is within an exploration area of 783.28 hectares. A further exploration area was awarded in June 2011 contiguous to the East of the original area (Göynük East) of 685.9 hectares bringing the total exploration area holding to approximately 1,479 hectares. The historical mine workings are at approximately 1,200 metres to 1,310 metres elevation. The area is predominantly forestry land supervised by the Turkish Department of Forestry.

In June 2012, the Company was granted an environmental permit for a small scale processing facility at the Göynük mine site with a processing capacity limit of 14,400 tonnes per annum. The Company has acquired freehold land within the license area in order to plan a layout of the small scale processing facility. It intends to treat the existing dump material at the mine site, subject to receiving adequate funding, to treat these dumps and produce a gravity based concentrate for sale.

Post the period under review on 3 April 2014, the Company announced that part of the eastern part of the exploration area at Göynük had been upgraded to a mining licence. Further permitting will be required however in order for a mining and operations permit to be issued and for future mining operations to take place.

Safety Health and Environmental Policies

Tri-Star is committed to meeting international best industrial practice in each jurisdiction in which it operates with respect to Human rights, Safety, Health and Environmental (SHE) policies. Management, employees and contractors are governed by and required to comply with Tri-Star's SHE policies as well as all applicable international, national federal, provincial and municipal legislations and regulations. It is the primary responsibility of the supervisors and other senior field staff of Tri-Star and its subsidiaries to oversee safe work practices and ensure that rules, regulations, policies and procedures are being followed.

Qualified Person

Brian Spratley, BSc EurIng CEng MIMMM, Technical Director of Tri-Star is a Qualified Person in compliance with National Instrument 43-101, *Standards of Disclosure for Mineral Projects* ("NI 43-101") and has reviewed and approved the scientific and technical information in this MD&A.

FINANCIAL RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2014

In the three months to 31 March 2014, the Company recorded a loss before and after tax of £242,000 (2013: £590,000).

	3 Months to 31 March 2014	3 Months to 31 March 2013	3 Months to 31 March 2012
	£'000	£'000	£'000
Share based payments	**(12)**	(246)	(88)
Amortisation of intangible assets	**(1)**	(5)	(5)
Exploration expenditure and other administrative expenses	**(628)**	(271)	(325)
Total administrative expenses and loss from operations	**(641)**	(522)	(418)
Finance income	**736**	-	-
Finance cost	**(163)**	-	-
Loss before and after taxation, and loss attributable to the equity holders of the Company	**(68)**	(522)	(418)
Loss before and after taxation attributable to			
Non-controlling interest	**(23)**	-	-
Equity holders of the parent	**45**	(2,351)	(418)
Other comprehensive income			
Exchange differences on translating foreign operations	**(174)**	(68)	(25)
Other comprehensive (loss)/income for the period, net of tax	**(174)**	**(68)**	**(25)**
Total comprehensive loss for the year, attributable to owners of the company	**(242)**	(590)	(443)
Total comprehensive loss attributable to			
Non-controlling interest	**(23)**		
Equity holders of the parent	**(219)**	(590)	(443)
Loss per share			
Basic and diluted loss per share (pence)	**(0.00)**	(0.01)	(0.01)

Revenue

Given the early stage and exploratory nature of the Company's operations and projects the Company is not yet revenue generating.

Share based payments

The share based payment charge relating to share options, which is a non-cash item, was £12,000 (2013: £246,000).

Amortisation of Intangible Assets

The amortisation charge for the three months to 31 March 2014 was £1,000 compared to £5,000 in 2013.

Administrative Expenses

Administrative expenses in the period were £628,000 (2013: £271,000).

	3 Months to 31 March 2014 GBP	**3 Months to 31 March 2013 GBP**	**Variance GBP**	**% Variance**
UAE Rent	39,346	21,294	18,052	85%
Roaster costs	118,157	87,943	30,214	34%
Other exploration and evaluation costs (Göynük)	6,925	7,857	(932)	-12%
Other exploration and evaluation costs Bald Hill)	69,722	-	69,722	100%
Directors' remuneration, salaries and employment costs	177,507	141,226	36,281	26%
Office, listing and other admin costs	215,613	83,222	132,391	159%
Exchange rate differences	-	(70,138)	70,138	-100%
TOTAL	627,270	271,404	355,866	131%

The principal variances are detailed below.

UAE Rent

Land has been rented in the UAE since October 2011. The results for 2014 reflect an increase in rent since 19 October 2013 on the expiry of a reduced rental charged in the first two years..

Roaster costs

Roaster costs were £30,000 higher in 2014 compared with the 2013, as costs relating to the joint venture have been incurred.

Other exploration and evaluation costs (Göynük)
The variance between 2014 and 2013 is immaterial.

Other exploration and evaluation costs (Bald Hill)
Bald Hill was acquired with the Portage acquisition in October 2013 and the expenditure relates to maintenance of claims.

Directors' remuneration, salaries and employment costs
There are additional costs of £25,000 for Canadian directors and staff in 2014, and the 2014 figures reflect a review of Directors' remuneration during 2013.

Office, listing and other admin costs
Office, listing and other admin costs increased by £132,000 in the period. Legal & professional fees increased by £32,000 largely relating to Canadian operations. Rent and office costs increased by £20,000 of which £7,000 related to Canada. Accountancy costs increased by £50,000 as the acquisition of Portage and the Oman operations required an increase in resources. Other increases included travel costs of £12,000.

Exchange rate differences
Exchange rate variances are classified under other comprehensive income in 2014.

Exploration and evaluation

During the period the Company incurred expenditures of £9,000 (2013: £9,000) on property, plant and equipment.

All costs associated with mineral exploration prior to 31 March 2014 have been expensed through the statement of comprehensive income due to the uncertainty of the future revenues and speculative nature of the exploration costs. The Directors will continue to assess exploration of mineral resources on a project-by-project basis and will capitalise costs once the feasibility of the project is established.

Similarly all costs incurred in connection with the roaster project have been expensed through the statement of comprehensive income. Once funding has been agreed all future expenditure will be capitalised.

Staffing

During the three months to 31 March 2014 a total of 12 full time employees were employed by the Company compared to 11 full time employees as at 31 March 2013 (excluding non-executive directors).

Cash flow and cash resources

Cash resources as at 31 March 2014 were £1,467,000 (31 March 2013: £327,000).

OUTLOOK

Management continues to pursue a strategy of being an environmentally-compliant, vertically integrated antimony production company. The Company expects 2014 to be a period of significant advancement for the Company in pursuing its ambitions.

See 'Cautionary Note Regarding Forward Looking Information' for a description of the factors that may cause actual results to differ from forecast.

SUMMARY ANNUAL AND INTERIM FINANCIAL INFORMATION

The summary results for the Company's three most recently completed financial years are shown below.

(in £000, except per share amounts)	**2013**	**2012**	**2011**
Revenue	-	-	-
Loss from continuing operations attributable to the equity holders of the Company	(2,747)	(2,351)	(2,538)
Basic and diluted loss from continuing operations per share (pence)	(0.05)	(0.05)	(0.05)
Other comprehensive income	(249)	(6)	113
Total comprehensive loss for the year, attributable to owners of the Company	(2,996)	(2,357)	(2,425)
Total assets	7,172	786	1,058
Total non-current financial liabilities	5,030	-	

No dividends were declared in the years indicated above.

The summary results for the three month periods ended 31 March 2014 and 31 March 2013 are shown below.

	3 months ended 31 March 2014	3 months ended 31 March 2013
Loss from continuing operations attributable to the equity holders of the Company	(68)	(522)
Basic and diluted loss from continuing operations per share (pence)	0.00	(0.01)
Other Comprehensive income	(174)	(5)
Total comprehensive loss for the year, attributable to owners of the Company	(242)	(527)
Basic and diluted loss per share (pence	0.00	(0.01)

There are no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the financial performance or financial condition of the Company.

LIQUIDITY, COMMITMENTS AND LOANS AND FINANCIAL POSITION

The Company is not yet revenue producing and is reliant on funds raised from the placing of Ordinary Shares and other securities to finance its development requirements. Positive cash flows are expected to commence following funding, construction and successful commissioning of its various projects; however there is no guarantee that expenses will not exceed income particularly during the start-up phase. If this is the case, liquidity risk could be material, even with current cash resources.

The Company's cash balances are kept under constant review. The Company takes a very risk averse approach to management of cash resources and Management and the Board monitor events and associated risks on a continuous basis. Cash and cash equivalents were as follows:

	31 March 2014 (£000)	**31 March 2013 (£000)**
Cash and cash equivalents	1,467	327

The cash reduction for the three month period ended 31 March 2014 from operating activities was £628,000, with investing activities contributing a net inflow of £3,000. The cash reduction for the three month period ended 31 March 2013 from operating activities was £265,000, with investing activities contributing a net outflow of £9,000.

At 31 March 2014, the Company had £1,467,000 in cash and cash equivalents and its net current assets were £655, with total net assets of £1,917,000. At 31 December 2013, the Company had £2,101,000 in cash and cash equivalents, with net current assets of £541,000 and total net assets of £2,142,000.

The Company completed the private placing of £4.0 million secured Convertible Notes with Odey European Inc. in 2013. The Convertible Notes carry a non-cash coupon of 15% per annum which compounds half yearly and are secured by way of a guarantee and debenture granted by Tri-Star Antimony Canada, Inc., the Company's wholly owned subsidiary which holds all of the Company's Canadian assets including the assets of Portage.

The Convertible Notes are redeemable at 100% of their principal amount plus accrued interest and, unless previously redeemed, converted or cancelled, will mature on the fifth anniversary of the issue of the Convertible Notes in June 2018.

The Convertible Notes are convertible at 100% of their principal amount plus accrued interest at the holder's option into Ordinary Shares of 0.005 pence each in the capital of the Company at a conversion price which is fixed at the time of conversion at a 10% discount to the lower of:

- the latest equity funding round completed prior to the issue of the conversion notice; and
- any equity funding round completed within 10 business days following the issue of the conversion notice.

The Convertible Notes are not listed and are transferable.

GOING CONCERN

The Directors have prepared cash flow forecasts for the period ending 30 June 2015. The forecasts identify unavoidable third party running costs of the Company and demonstrate that the Company has sufficient cash resources available to allow it to continue in business for a period of at least twelve months from the date of approval of these interim financial statements. Further development of the Company's exploration and investment activities, including any direct investment in the Roaster Project, will continue as and when finance is available. Accordingly, the accounts have been prepared on a going concern basis.

RELATED PARTY TRANSACTIONS

During the three months ended 31 March 2014, the Company paid £6,000 (2013: £6,000) for Company secretarial services and expenses to Kitwell Consultants Limited, a company controlled by Michael Hirschfield, a director of the Company.

During the three months ended 31 March 2014, the Company charged £47,656 (2013: £86,413) to Üç Yildiz (a subsidiary of the Company) for services provided and invoices paid on its behalf. At 31 March 2014, Tri-Star was owed £1,717,102 of which £1,669,446 has been provided for in Tri-Star Resources plc (31 March 2013: £1,477,108) from Üç Yildiz.

During the three months ended 31 March 2014, the Company charged £189,850 (2013: £185,094) to Tri-Star Union for services provided and invoices paid on its behalf. At 31 March 2014, Tri-Star was owed £1,835,102 (31 March 2013: £848,195) from Tri-Star Union. Tri-Star Union is a 90% owned subsidiary undertaking.

During the period the Company met certain of the director's expenses. At 31 March 2014 the balance due to Brian Spratley was £17,295 (31 March 2013: £Nil) and the balance due to E Eyi £Nil (31 March 2013: £1,421 due from E Eyi).

All the above transactions having taken at an exchange amount equivalent to parity for the cash consideration.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The following critical accounting judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next accounting year are discussed below:

Share based payment transaction

The Company measures the cost of equity-settled transactions with employees and consultants by reference to the fair value of the equity instruments at the date at which they are granted. The charge for the period ended 31 March 2014 of £12,000 (2013: £32,000) is determined by using a Black-Scholes valuation model. The key assumptions in the model involving a critical estimate are the share price volatility of between 58% and 67% and the life of the options. The former has been determined by calculating the historical volatility of the Tri-Star share price. The Board have assumed the options will be exercised between 6 and 36 months after they have vested.

Services received from external consultants are measured at their fair values, with a charge of £Nil (2013: £214,000) recognised in the interim financial statements for the three months ended 31 March 2014.

Other intangible exploration asset valuation
Owing to the proximity of the acquisition of Portage to the period end, the directors have not yet finalised their review of the fair value of the separable net assets acquired, although they expect to finalise this review within the first year of the acquisition date.

The provisional fair value of the intangible 'exploratory asset' acquired has been assessed at £4,296,000. The fair value of this asset, together with the other assets and liabilities acquired, will be assessed during 2014. This assessment may derive a different value to the provisional value presently reported.

Treatment of exploration and evaluation costs
IFRS 6 “Exploration for and Evaluation of Mineral Resources” requires an entity to consistently apply a policy to account for expenditure on exploration and evaluation of a mineral resource. The Directors have chosen to expense the exploration and evaluation costs to date on the basis that the future development of the mine remains uncertain as at 31 March 2014. The Directors will continue to asses this and when feasibility is determined will look to capitalise further costs in line with accounting standards.

Convertible loan accounting
The Company has measured the carrying value of the liability component of the Convertible Bonds as the initial amount loaned plus costs, less the fair value of the derivative liability on issue plus interest, calculated using the amortised interest rate.

The fair value of the derivative liability embedded in the Convertible Bonds was calculated using the Black-Scholes option valuation model. The movement in fair value since issue is recorded in profit and loss in the statement of comprehensive income.

The following assumptions were used in calculating the fair value:

- The model assumes that the bonds will be exercised on 31 December 2014.

- The share price volatility is 58% which was based on historic volatility.

- An exercise price of 0.27p being the exercise price which would have applied on 31 March 2014 and a share price of 0.22p being the market share price at that time.

- The effects of potential dilution were not factored.

In valuing the derivative component of the Convertible Bonds, the Directors have assumed a conversion price of 0.27p which represents the current conversion price of the Convertible Bonds. The conversion price may be varied in the future as it is based on the most recent equity fund raising undertaken by the Company at the time of conversion. The Company raised £500,000 in May 2013 at a price of 0.30p, which when applying the 10% discount mandated by the Convertible Bond instrument, provides for a conversion price of 0.27p. The Directors believe that until a further fund raising is undertaken the current conversion price represents the most appropriate basis on which to base valuation of the Convertible Bonds.

Other critical assumptions underlying the valuation of the derivative (or “option”) component of the Convertible Bonds are: the period to conversion; volatility; the risk free rate and the impact of dilution.

The Directors believe that the Convertible Bond is likely to be subject to conversion during the life of the Bond and that it is unlikely that the Convertible Bond will run to term. Conversion is not in the control of the Company but it is the Directors’ expectation that the Convertible Bond is likely to be the subject of conversion in the near term and so for the basis of the option valuation, a conversion date of 31 December 2014 has been assumed.

Volatility of the Company's ordinary shares has been calculated by reference to the actual observed volatility of the Company's ordinary shares for the twelve months to 31 March 2014. The risk free rate is currently 0.5% (UK Bank of England lending rate).

As regards the impact of dilution, as Tri-Star is a publicly traded company the impact of dilution on option valuation has not been factored into valuation model as the valuation has been based on Tri-Star's share price immediately after the Convertible Bond was issued. The Directors believe that the post announcement share price would have incorporated the potential dilution effect of the Convertible Bond on Tri-Star's share capital as a whole and therefore the dilution impact has not been considered again when the option was valued.

Goodwill valuation

Goodwill arising on the acquisition of Portage Minerals Inc. has been calculated as being the difference between the purchase cost and the provisional value of the net assets acquired.

In accordance with International Financial Reporting Standards, the Directors have assessed the carrying value of the goodwill with reference to the fair value less costs to sell. Given the proximity of the transaction to the period end the Directors consider that the goodwill is not impaired. As a consequence, detailed value in use calculations have not been performed since accounting standards require the carrying value of goodwill to be reviewed for impairment against the higher of fair value less costs to sell or value in use.

OTHER MATTERS

Outstanding share and option data

As at the date of this MD&A the following securities are outstanding:

Classification	Shares issued or issuable	Weighted average exercise price (£)
Ordinary Shares	6,847,257,889	-
Options	471,800,000	0.01586
Warrants(1)	333,768,838	0.023426
Deferred Shares (A)	1,363,925,475	-
Deferred Shares (B)	856,547,275	-

Notes:

(1) Warrant figures include former warrants of Portage which are exercisable for Ordinary Shares following completion of the Acquisition and which are exercisable in Canadian dollars, with a weighted average exercise price of CAD$0.033 per Ordinary Share. The exercise price of the former warrants of Portage has been converted into U.K. Pounds Sterling based on the exchange rate published by the Bank of Canada on 29 April 2014.

The options and warrants are all in respect of Ordinary Shares carrying full voting rights, with each option and warrant exercisable for one Ordinary Share. The deferred shares have no voting rights and are not eligible for dividends.

Further information

Additional information relating to the Company is on the Company's website at www.tri-starresources.com and on SEDAR at www.sedar.com under the Company's profile.

CAUTIONARY NOTE REGARDING FORWARD LOOKING INFORMATION

This MD&A contains "forward-looking information" which may include, but is not limited to, statements with respect to the Company's objectives and strategy, future financial or operating performance of the Company and its projects, exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation of mining exploration and development, environmental risks, title disputes or claims and limitations of insurance coverage. All statements, other than statements of historical fact, constitute forward-looking information. Often, but not always, forward-looking information can be identified by the use of words such as "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 information is necessarily based on a number of estimates and assumptions that, while considered reasonable by the Company, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such assumptions and factors relate to, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; conclusions of economic evaluations; availability and cost of credit; fluctuations in interest rates; fluctuations in exchange rates; changes in planned parameters as plans continue to be refined; fluctuations in the market and forward prices of antimony or certain other commodities; possible variations of ore grade or recovery rates; failure of equipment; accidents and other risks of the mining exploration industry; political instability, insurrection or war; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, as well as those factors discussed in the Strategic Report contained in the Company's 2013 Annual Report and the risk factors identified in the management information circular of Portage Minerals Inc. dated 9 August 2013.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Unless stated otherwise, forward-looking information contained herein is stated as of the date of this MD&A. Other than as required by applicable securities law, the Company disclaims any obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise.

There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. All of the forward-looking information contained in this MD&A is qualified by these cautionary statements. Accordingly, readers should not place undue reliance on forward-looking information.

Any financial outlook or future-oriented financial information in this MD&A, as defined by applicable Canadian securities laws, has been approved by the Board as of the date of this MD&A. Such financial outlook or future oriented financial information is provided for the purpose of providing information about the Company's current expectations and plans relating to the future. Readers are cautioned that such outlook or information should not be used for purposes other than for which it is disclosed in this MD&A.