Introduction

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Manitou Gold Inc. (the "Company" or "Manitou") constitutes management's review of the factors that affected the Company's financial and operating performance for the years ended December 31, 2012 and 2011. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited financial statements of the Company for the years ended December 31, 2012 and 2011, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Information contained herein is presented as of April 4, 2013, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Manitou common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations can be obtained from the offices of the Company or from **www.sedar.com**.

Caution Regarding Forward-looking Statements

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. Specifically, this MD&A includes, but is not limited to, forward-looking statements regarding: the Company's goal of creating shareholder value by concentrating on the acquisition of properties prospective for precious metals; its ability to meet its operating costs for the twelve-month period ending December 31, 2013; the plans, costs, timing and capital for future exploration and development of the Company's current and future property interests, including the costs and potential impact of complying with existing and proposed laws and regulations; management's outlook regarding future trends; sensitivity analysis on financial instruments that may vary from amounts disclosed; prices and price volatility for precious metals; and general business and economic conditions.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. These risks, uncertainties and other factors include, but are not limited to, price volatility for precious metals, changes in equity markets, timing and availability of external financing on acceptable terms, the uncertainties involved in interpreting geological data, the possibility that future exploration results will not be consistent with the Company's expectations, increases in costs, environmental compliance and changes in environmental legislation and regulation, exchange rate fluctuations, changes in economic and political conditions and other risks involved in the mining industry, as well as those risk factors listed in the "Risk Factors" section below. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect the forward-looking statements. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions that may prove to be incorrect, including, but not limited to, assumptions about the following: the availability of financing for the Company's exploration and development activities; operating and exploration and development costs; its ability to retain and attract skilled staff and consultants; timing of the receipt of regulatory and governmental approvals for exploration projects and other operations; market competition; and general business and economic conditions.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statement, no inference should be drawn that it will make additional updates to those or other forward-looking statements.

Description of Business

Manitou Gold Inc. is a Canadian exploration company with an experienced discovery team and a large land package of highly prospective gold properties located in the Gold Rock District of Northwestern Ontario.

The principal mineral assets of the Company at the date of this MD&A consist of (i) a 100% interest in the Kenwest property, located in Kenora Mining Division, Ontario; (ii) interest in the Gaffney Extension property, located in Kenora Mining Division, Ontario; (iii) interest in the Elora property, located in Kenora Mining Division, Ontario. The Company also holds claims for other properties located in Kenora Mining Division.

The Company is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario and trades on the TSX Venture Exchange under the symbol "MTU".

Manitou's goal is to deliver superior returns to shareholders by concentrating on the acquisition and exploration of properties prospective for precious metals. The Company plans to do this by focusing on certain properties, as set out below under "Mineral Exploration Properties".

Overall Performance

There were no notable events that occurred during the reporting period other than the following:

- Exploration and evaluation expenditures continued at the Company's projects.

- On May 31, 2012, the Company acquired a key property in the core of the historic Goldrock mining camp. This property, known as the Elora property, consists of 14 patented claims and one mining license of occupation, historically known as the Elora patents. The Elora patents are contiguous with Manitou's Kenwest and Canamerica projects. The Company can acquire a 100% interest in the Elora property, in exchange for the payment of $200,000 in cash, the issuance of 2,000,000 common shares of the Company, and the completion of a $2,500,000 work commitment, all over a three year period, as well as the assumption of a $20,000 annual advance royalty payment payable on an underlying 2.5% net smelter royalty ("NSR") held by a prior property owner. Upon Manitou earning its 100% interest in the Elora property, the optionors will be entitled to a sliding scale NSR on production generated from the property, with the rate of the NSR being 0.5% when gold is below US$1,250/oz and increasing in increments as the price of gold increases, up to 1.5% in the event that the price of gold exceeds $2,500/oz.

- On September 18, 2012, Manitou completed a non-brokered private placement (the "Offering") with Robert McEwen ("Subscriber"), pursuant to which the Subscriber purchased 4,000,000 "flow through" units of Manitou ("Units") at a price of $0.15 per Unit for aggregate gross proceeds to Manitou of $600,000. Each Unit consists of one flow through common share of Manitou and one common share purchase warrant (each, a "Warrant"). Each Warrant entitles the holder thereof to acquire one additional common share of Manitou (which will not be a "flow through share") at an exercise price of $0.25 per share for a period of 24 months, provided that if, at any time after January 18, 2013, the closing price of the common shares of Manitou on the TSX Venture Exchange or such other stock exchange where the majority of trading occurs, exceeds $0.40 for more than 20 consecutive trading days, Manitou may accelerate the expiry date of the Warrants, in which event the Warrants will expire upon the date (the "Accelerated Expiry Date") that is 30 days following the provision of written notice by Manitou advising holders of the Accelerated Expiry Date.

The Company's focus has been on exploring its projects within the Manitou Straits Deformation Zone. Moving into 2013, management will continue to expand the knowledge and understanding of the core projects through well-thought-out exploration programs.

Significant uncertainty concerning the short and medium term global economic outlook persists. The Board of Directors and management of Manitou will continue to monitor these developments and their effect on Manitou's business.

As at December 31, 2012, the Company had assets of $15,823,993 and a net equity position of $15,717,634. This compares with assets of $15,980,979 and a net equity position of $14,562,814 at December 31, 2011. The Company has $106,359 of liabilities and no debt (December 31, 2011 – $1,418,165 of liabilities and no debt). The Company incurred and capitalized to mineral properties and exploration costs $3,867,529 during the year ended December 31, 2012, (year ended December 31, 2011 - $5,422,842).

At December 31, 2012, the Company had working capital of $2,539,175, compared to $5,398,505 at December 31, 2011, a decrease of $2,859,330, or approximately 53%. The Company had cash and guaranteed investment certificates ("GICs") of $2,563,695 at December 31, 2012, compared to $6,472,362 at December 31, 2011, a decrease of $3,908,667, or approximately 60%. The decrease in working capital and cash and GICs can be attributed to the Company's spending on exploration as well as the acquisition of new properties during 2012. These expenditures greatly exceeded the $600,000 cash inflow received during the year, thus resulting in reduced working capital and cash and GICs.

Management and Board Changes

On June 29, 2012, Todd Keast, President of Manitou, was appointed Chief Executive Officer ("CEO") and Director of the Company.

Concurrently, the Company agreed with each of Richard Murphy, the then current CEO, and Guy Mahaffy, the then current Chief Financial Officer and Corporate Secretary, to terminate their respective employment contracts with the Company. Messrs. Murphy and Mahaffy have also stepped down from the Board. Carmelo Marrelli was appointed as Chief Financial Officer of Manitou effective June 29, 2012.

Trends

The Company is a mineral exploration and development entity, focused on the selection, acquisition, and exploration of mineral properties. Its current focus is to explore properties in the Company's portfolio. The Company's financial success will be dependent upon the extent to which it can make discoveries and on the economic viability of any such discoveries. The development of such assets may take years to complete and the resulting income, if any, is difficult to determine with any certainty. To date, the Company has not produced any revenues. The sales value of any minerals discovered by the Company is largely dependent upon factors beyond its control, such as the market value of the commodities produced.

There are significant uncertainties regarding the prices of base and precious metals and the availability of equity financing for the purposes of exploration and development. The future performance of the Company is largely tied to the development of its property interests and other prospective business opportunities and the overall financial markets. Financial markets are likely to be volatile, reflecting ongoing concerns about the stability of the global economy and weakening global growth prospects. Unprecedented uncertainty in the credit markets has also led to increased difficulties in borrowing and raising funds. Companies worldwide have been affected particularly negatively by these trends. As a result, the Company may have difficulties raising equity financing for base and precious metal exploration and development, particularly without excessively diluting the interests of existing shareholders. These trends may limit the ability of the Company to develop and/or further explore its current mineral exploration properties and any other property interests that may be acquired in the future. See "Risk Factors" below.

In addition to the risks outlined in this MD&A, Manitou has identified the extreme volatility occurring in the financial markets recently as a significant risk for the Company. As a result of the market turmoil, investors are moving away from assets they perceive as risky to those they perceive as less so. Companies like Manitou are considered risk assets and as mentioned above are highly speculative. The volatility in the markets and investor sentiment may make it difficult for Manitou to access the capital markets in order to raise the capital it will need to fund its current level of expenditures.

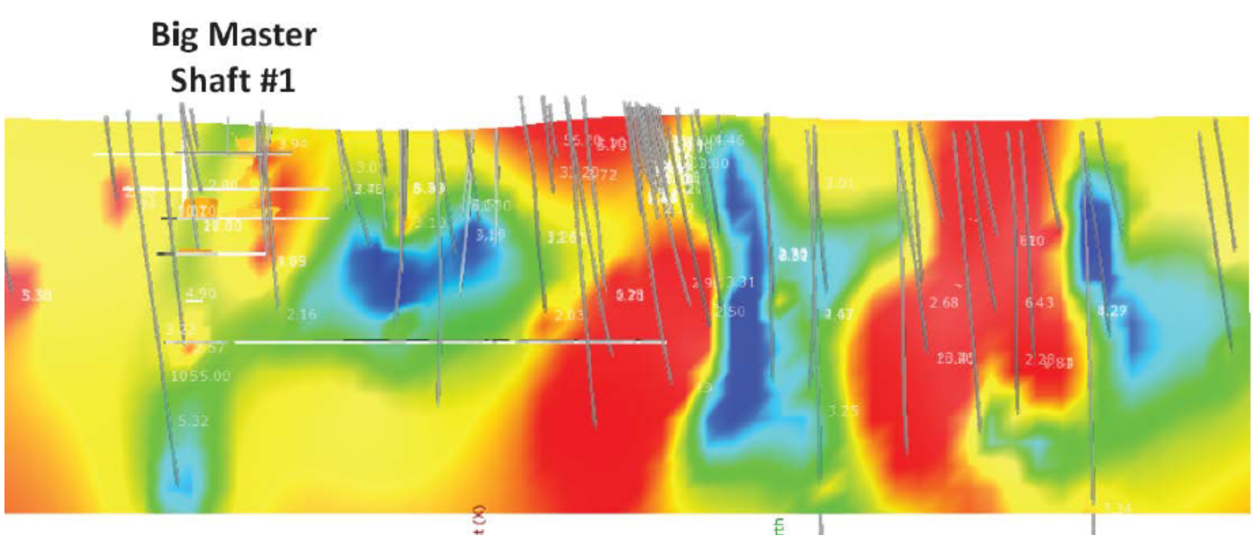
Mineral Exploration Properties

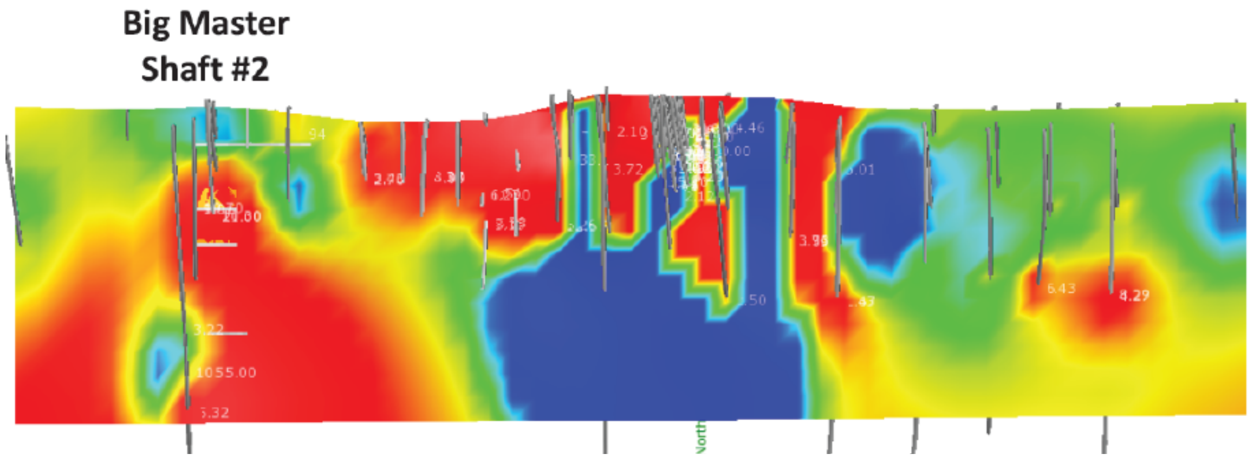
The Company's exploration activities are at an early stage, and it has not yet been determined whether its properties contain an economic mineral reserve. There are no known deposits of minerals on any of the Company's mineral exploration properties and any activities of the Company thereon will constitute exploratory searches for minerals. See "Risk Factors" below.

The gold exploration industry is once again in a significant downswing, with serious negative investor sentiment and difficulties raising money. Manitou is in a reasonably good financial position. However, the Company is taking steps to preserve cash in case the downturn lasts for a two year period or longer.

The budget for 2013 would see Manitou end calendar 2013 with approximately $1 million in the bank with an estimate of general and administrative costs for calendar 2013 at $300,000. The Company expects to spend $1.2 million on its exploration program, which includes the flow-through commitment of $229,895. If the market situation at the end of 2013 is still weak, then Manitou would further reduce costs and minimize exploration.

Kenwest Project: In 2012 drilling focused on a low, swampy area between the #2 shaft and a trenched gold-sulphide zone. Drilling results were generally very positive (see Big Master #2 figure below). The next phase of drilling on this area can all be completed from higher ground and will focus on expanding the mineralization to depth. To date the Company has a general outline of 4-5 shoots of higher grade gold zones along the #1 and #2 shear zones. The shoots have only been tested with wide spaced holes, not nearly the density required for a resource estimate. The Company did not conduct field work on the Kenwest property during the summer and fall of 2012.





Kenwest drilling results have been very good with exceptional exploration potential in the opinion of management.

Kenwest Exploration Plans for 2013: Ongoing geological evaluation of the Kenwest and adjacent properties will consist of structural mapping and mechanical trenching to further the understanding of the complex shear systems. The Company expects to spend $15,000 in calendar 2013 on these exploration activities.

Elora Project: The Company has initiated an exploration program on the recently acquired Elora property, which hosts two past-producing gold mines, and sits adjacent to Manitou's Kenwest property. Twenty-six diamond drill holes from the previous operators (2004, 2006 and 2008) have been re-logged and re-sampled, with 600 samples split for assay. Re-sampling results are consistent with the historical values noted in the table below.

				Seafield Resources Ltd. (Previous Operator) Original Sampling	**Manitou – 2012 Re-Sampling**	
DDH #	From m	To m	Length m	Au g/t	Au g/t	Ag g/t
E-04-14	45.08	46.39	1.31	15.27	5.84	
including	45.35	46.02	0.67	28.47	8.58	
E-04-17	68.64	75.44	6.80	3.24	5.48	8.66
E-04-21	125.73	130.18	4.45	4.36	8.52	
E-06-22	312	318.4	6.4	3.59	2.33	
E-06-28	131.5	135.5	4	1.78	1.98	
E-06-30	209	211.2	2.2	1.65	1.87	
E-08-31	125	126.7	1.7	1.75	1.73	
E-08-32	162.25	168.1	5.85	2.76	3.18	
E-08-34	188.8	191	2.2	1.25	1.33	

Note: Core from the recent sampling was quartered, providing a smaller sample size than the original half core samples.

Assay results from the re-sampling indicate the zones of gold mineralization also contain silver. This is demonstrated in hole E-04-17, which returned 5.48 g/t Au and 8.66 g/t Ag over a 6.8 metre core length. Core from all of the gold zones is currently being assayed for silver. Eleven drill holes from the 1998 drilling program were also re-logged and re-sampled in the third quarter of 2012.

Potential quantity and grade are conceptual in nature. There has been insufficient exploration to define a mineral resource on any of the Company's properties, and it is uncertain if further exploration will result in any such target being delineated as a mineral resource.

Mechanical trenching on the Elora property continued with fourteen trenches mapped and sampled. Work was focused around the Laurentian Mine, which historically produced gold at a grade of 0.41 oz/t (14.1 g/t Au) based on historical mine documents and reports from the Ministry of Northern Development and Mines. Trenching has exposed areas of high structural complexity, showing highly folded quartz veins in oblique orientations to prominent shear structures. Information obtained from this trenching and mapping program will be used to target areas for a future diamond drilling program. Approximately 120 grab samples have been collected from the trenches, and assays will be released as results are received, compiled and interpreted.

Elora Exploration Plans for 2013: Manitou has a $650,000 work commitment for Elora in calendar 2013 (having completed $175,000 to date in re-logging, trenching and mapping and $176,000 from the first phase of drilling). A 5,000 m drilling program is underway to evaluate the Laurentian shaft area, the Jubilee zone and the untested gap between the Kenwest and Elora patents. The drilling program will be close to half completed by April 2013. Manitou plans to resume drilling in spring/summer. In addition the Company plans to continue with mechanical trenching and structural interpretation.

Gaffney Extension: In 2012, the Company completed 17 holes (5,032 metres). The drilling demonstrated the presence of significant gold mineralization over substantial widths and indicates the presence of a large gold system. The Company has made significant advances in understanding the controls on the gold mineralization as well as the exploration potential of the property. Diamond drill hole G-12-32, the first hole of the 2012 exploration program, intersected a 66.0 metre wide interval which averaged 1.5 g/t Au. This interval contained two exceptionally wide sections of gold bearing Quartz Feldspar Porphyry ("QFP") dyke, 37 metres wide and 13 metres wide, respectively. These two wide QFP intervals represent a significant change to the geological model, resulting in a reassessment of the gold mineralization and the drilling pattern. It was determined that a series of holes completed at different orientations to the normal drilling pattern would confirm the geometry of the gold bearing QFP dyke.

The newly identified gold bearing QFP dyke appears to be 6 to 10 metres wide and contains several metres of the mineralized altered diorite along the contacts. QFP dykes often demonstrate considerable continuity along strike and at depth, which presents the potential for a sizeable target with exceptional predictability. This section of drilling has clearly demonstrated the vertical extent of the QFP dyke to at least 250 metres in depth and is open at depth and along strike.

For further information, please refer to the press release dated November 1, 2012, entitled "Manitou Gold Inc. Extends Gaffney Extension Mineralization 100 Metres Down Plunge" available on SEDAR at **www.sedar.com**.

Potential quantity and grade are conceptual in nature. There has been insufficient exploration to define a mineral resource on any of the Company's properties, and it is uncertain if further exploration will result in any such target being delineated as a mineral resource.

A three dimensional model of the drilling and the geological interpretation are available on the Company's website at www.manitougold.com/gaffney.html. The model illustrates the gold mineralization and delineates the down plunge continuity of the zone.

Gaffney Plans for 2013: Management is reviewing data to determine the 2013 exploration program. A budget will be assigned once an exploration program is developed.

Sherridon Project: The Company has earned 100% interest in this project on which 1,464 metres were drilled in 2012. Drilling continues to intersect coarse, visible gold in narrow shear zones. There is some continuity to the last two holes Manitou drilled. The Company intends to conduct some prospecting and mechanical trenching in order to identify significant lithological contacts and or larger sized shear structures. The Company expects to spend $10,000 in calendar 2013 on these exploration activities.

Canamerica Project: Manitou has earned 100% interest in this project. Manitou proposes to conduct some trenching to evaluate the potential of the showings at an estimated cost of $5,000 for calendar 2013.

Sunshine Lake: Due to negative results, Manitou returned this property to the vendor in January 2013 to avoid the option payment. The Company has taken a write-down of $39,384 in calendar 2013 for this property.

Other Projects: Other projects are on hold at the date of this MD&A. Subject to the availability of staff and time, exploration programs and budgets may be developed for Manitou's other projects.

Technical Disclosure

The technical disclosure under the heading "Mineral Exploration Properties" has been prepared under the supervision of Todd Keast, P.Geo., and a "qualified person" within the meaning of National Instrument 43-101. Mr. Keast is a Director, President and CEO of the Company.

Environmental Liabilities

The Company is not aware of any environmental liabilities or obligations associated with its mining interests. The Company is conducting its operations in a manner that is consistent with governing environmental legislation.

Selected Annual Financial Information

The following is selected financial data derived from the audited consolidated financial statements of the Company as at December 31, 2012, 2011 and 2010 and for the years ended December 31, 2012, 2011 and 2010.

Description	Year Ended December 31, 2012 ($)	Year Ended December 31, 2011 ($)	Year Ended December 31, 2010 ($)
Total revenues	nil	nil	nil
Total income (loss) [(1)(2)]	276,648	(1,116,035)	(789,470)
Net income (loss) per common share - basic and diluted[(3)(4)]	0.005	(0.026)	(0.035)

Description	As at December 31, 2012 ($)	As at December 31, 2011 ($)	As at December 31, 2010 ($)
Total assets	15,823,993	15,980,979	6,692,747
Total non-current financial liabilities	nil	162,497	nil
Distribution or cash dividends [(5)]	nil	nil	nil

(1) Income (loss) from continuing operations attributable to owners of the parent, in total;
(2) Income (loss) attributable to owners of the parent, in total;
(3) Income (loss) from continuing operations attributable to owners of the parent, on a per-share and diluted per share basis;
(4) Income (loss) attributable to owners of the parent, on a per-share and diluted per-share basis; and
(5) Declared per-share for each class of share.

- The net income for the year ended December 31, 2012, consisted primarily of flow through premium income of $832,000, a recovery of deferred income tax of $162,497 and interest income of $63,689. This was offset by: (i) general and administrative of $629,209; (ii) professional fees of $84,198; and (iii) write-down of deferred exploration expenditures of $39,384.

- The net loss for the year ended December 31, 2011, consisted primarily of flow through premium income of $1,081,000 and interest income of $66,979. This was offset by: (i) stock-based compensation of $712,714; (ii) general and administrative of $899,822; (iii) professional fees of $76,339; and (iv) write-down of deferred exploration expenditures of $394,800.

- As the Company has no revenue, its ability to fund its operations is dependent upon its securing financing through the sale of equity or assets. See "Risk Factors" below.

Overall Objective

The Company is a junior mineral exploration company with an experienced management team engaged in the acquisition, exploration and development of properties for the mining of precious metals. Manitou is in the process of exploring its mineral properties and has not yet determined whether these properties contain any economically recoverable mineral reserves. The success of the Company is dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete exploration and development of its properties, the selling prices of minerals at the time, if ever, that the Company commences production from its properties, government policies and regulations and future profitable production, or proceeds from the disposition of such properties.

Manitou has not discovered economically recoverable mineral reserves. While discovery of ore-bearing structures may result in substantial rewards, it should be noted that few properties that are explored are ultimately developed into producing mines.

The Company may also seek to acquire additional mineral resource properties or companies holding such properties. The Company notes that mineral exploration in general is uncertain and the probability of finding economically recoverable mineral reserves on any one of its early stage prospects is low. However, the probability that one of the many prospects acquired will host economically recoverable mineral reserves is higher. As a result, the Company believes it is able to reduce overall exploration risk by acquiring additional mineral properties. In conducting its search for additional mineral properties, the Company may consider acquiring properties that it considers prospective based on criteria such as the exploration history of the properties, their location, or a combination of these and other factors. Risk factors to be considered in connection with the Company's search for and acquisition of additional mineral properties include the significant expenses required to locate and establish economically recoverable mineral reserves, the fact that expenditures made by the Company may not result in discoveries of economically recoverable mineral reserves, environmental risks, risks associated with land title, the competition faced by the Company and the potential failure of the Company to generate adequate funding for any such acquisitions. See "Risk Factors" below.

Off-Balance-Sheet Arrangements

As of the date of this filing, the Company does not have any 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, including, and without limitation, such considerations as liquidity and capital resources.

Proposed Transactions

There are no proposed transactions of a material nature being considered by the Company. The Company continues to evaluate properties and corporate entities that it may acquire in the future.

Disclosure of Internal Controls

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements; and (ii) the financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate filed by the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Summary of Quarterly Information

Three Months Ended	Total Revenue $	Profit or Loss Total $	Profit or Loss Per Share $
December 31, 2012	-	(174,359) [1]	(0.00)
September 30, 2012	-	(113,556) [2]	(0.00)
June 30, 2012	-	(145,926) [3]	(0.00)
March 31, 2012	-	710,489 [4]	0.01
December 31, 2011	-	(513,099) [5]	(0.01)
September 30, 2011	-	(3,419) [6]	(0.00)
June 30, 2011	-	(1,041,946) [7]	(0.02)
March 31, 2011	-	442,429 [8]	0.02

Notes:

(1) Net loss of $174,359 includes administrative and general of $129,975, professional fees of $28,837, project generation and evaluation of $745, write-down of deferred exploration expenditures of $39,384 and amortization of $4,790. These amounts are offset by interest income of $13,483 and a recovery of deferred income taxes of $15,889.

(2) Net loss of $113,556 includes administrative and general of $114,614, professional fees of $41,455 and amortization of $4,904. These amounts are offset by interest income of $9,900 and a recovery of deferred income taxes of $37,517.

(3) Net loss of $145,926 includes administrative and general of $225,178, professional fees of $5,025, project generation and evaluation of $8,356 and amortization of $4,545. These amounts are offset by interest income of $17,823 and a recovery of deferred income taxes of $79,355.

(4) Net income of $710,489 includes administrative and general of $159,442, professional fees of $8,881, project generation and evaluation of $862 and amortization of $4,545. These amounts are offset by flow through premium income of $832,000, interest income of $22,483 and a recovery of deferred income taxes of $29,736.

(5) Net loss of $513,099 includes administrative and general of $421,181, professional fees of $48,303, stock-based compensation of $91,714, project generation and evaluation of $1,036 and amortization of $6,576. These amounts are offset by a recovery of deferred income taxes of $86,355.

(6) Net loss of $3,419 includes administrative and general of $136,874, write-down of deferred exploration expenditures of $5,826 and amortization of $2,466. These amounts are offset by interest income of $25,856 and a recovery of deferred income taxes of $115,891.

(7) Net loss of $1,041,946 includes stock-based compensation of $621,000, administrative and general of $216,663, professional fees of $25,700, project generation and evaluation

of $1,745, write-down of deferred exploration expenditures of $388,974, amortization of $3,248 and provision for deferred income taxes of $138,618. These amounts are offset by flow through premium income of $293,878 and interest income of $60,124.

(8) Net income of $442,429 includes administrative and general of $125,104, professional fees of $2,336, project generation and evaluation of $2,577, amortization of $194 and provision for deferred income taxes of $226,125. These amounts are offset by flow through premium income of $787,122 and interest income of $11,643.

Discussion of Operations

Year ended December 31, 2012, compared with year ended December 31, 2011

Manitou's net income totaled $276,648 for the year ended December 31, 2012, with basic and diluted earnings per share of $0.005. This compares with a net loss of $1,116,035 with basic and diluted loss per share of $0.026 for the year ended December 31, 2011. The increase in net income of $1,392,683 was principally because:

- There were no options granted during 2012, and as such, stock-based compensation expense was $nil for the year ended December 31, 2012 (year ended December 31, 2011 - $712,714).
- Administrative and general expenses decreased to $629,209 for the year ended December 31, 2012 (year ended December 31, 2011 - $899,822). The decrease stems primarily from a reversal of an over-accrual in 2012 for a liability that was accrued at an estimated amount in 2011, as well as reduced travel and marketing costs in 2012. Included in administrative and general expenses for the year ended December 31, 2012, is total salaries and benefits of $507,495 (year ended December 31, 2011 - $393,061). In addition, included in salaries and benefits were director fees of $6,750 for the year ended December 31, 2012 (year ended December 31, 2011 - $7,500).
- Professional fees increased to $84,198 for the year ended December 31, 2012 (year ended December 31, 2011 - $76,339). Professional fees increased by $7,859 due to legal costs associated with the board and management changes discussed above.
- Interest income decreased by $3,290 during the year ended December 31, 2012, compared to the year ended December 31, 2011. This decrease is due to the Company drawing down its cash and GIC balances in order to fund exploration and administration.
- Write-downs of deferred exploration expenditures in the amount of $39,384 were expensed during the year ended December 31, 2012, compared to $394,800 expensed during the comparative year ended December 31, 2011.
- All other expenses related to general working capital.

Three months ended December 31, 2012, compared with three months ended December 31, 2011

Manitou's net loss totaled $174,359 for the three months ended December 31, 2012, with basic and diluted loss per share of $nil. This compares with net loss of $513,099 with basic and diluted loss per share of $(0.01) for the three months ended December 31, 2011. The decrease in net loss of $338,740 was principally because:

- There were no options granted during the three months ended 2012, and as such, stock-based compensation expense was $nil for the period ended December 31, 2012 (Three months ended December 31, 2011 - $91,714).

- Administrative and general expenses decreased by $291,206 to $129,975 for the three months ended December 31, 2012 (three months ended December 31, 2011 - $421,181). This variance is primarily attributable to a decrease in salaries and benefits, as well as the recording of a non-recurring reserve as at December 31, 2011, in the amount of $175,000. In addition, included in salaries and benefits were director fees of $nil for the three months ended December 31, 2012, compared to $4,500 for the three months ended December 31, 2011.

- During the three months ended December 31, 2012, professional fees were $28,837, whereas professional fees for the 2011 comparable period were $48,303, a reduction of $19,466.

- Write-downs of deferred exploration expenditures for the three months ended December 31, 2012, were $39,384 (three months ended December 31, 2011 - $nil).

- All other expenses related to general working capital.

Liquidity and Capital Resources

The activities of the Company, principally the acquisition and exploration of properties prospective for precious metals, are financed through the completion of equity transactions such as equity offerings and the exercise of stock options and warrants. There is no assurance that future equity capital will be available to the Company in the amounts or at the times desired by the Company or on terms that are acceptable to it, if at all. See "Risk Factors" below.

The Company has no operating revenues and therefore must utilize its current cash reserves, funds obtained from the exercise of warrants and stock options and other financing transactions to maintain its capacity to meet ongoing operating activities. As of December 31, 2012, the Company had 53,172,411 common shares issued and outstanding, 16,197,039 warrants outstanding that would raise $7,951,677 and 3,450,000 options outstanding that would raise $1,754,900 if exercised in full. This is not anticipated in the immediate future. See "Trends" above.

Accounts payable and accrued liabilities decreased to $106,359 at December 31, 2012, compared to $423,668 at December 31, 2011. Accounts payable and accrued liabilities were higher on December 31, 2011, compared to December 31, 2012, primarily due to the recording of a non-recurring reserve as at December 31, 2011, in the amount of $175,000. The Company's cash as of December 31, 2012, is sufficient to pay these liabilities.

Cash used in operating activities was $935,270 for the year ended December 31, 2012. Operating activities were affected by a net change in non-cash working capital balances of $275,589 because of a decrease in accounts payable and accrued liabilities of $375,561, and a decrease of prepaid expenses and other sundry assets of $99,972. The Company also recorded flow through premium income of $832,000, recovery of deferred income tax expense of $162,497, write down of deferred exploration expenditures of $39,384 and amortization of $18,784.

Cash used for investing activities for the year ended December 31, 2012, was $3,559,019 including purchase of equipment of $2,908 and deferred exploration expenditures incurred of $3,556,111.

Financing activities raised cash in the amount of $585,622 for the year ended December 31, 2012. Cash provided by financing activities was $9,652,936 for the year ended December 31, 2011.

The Company's liquidity risk from financial instruments is minimal as excess cash is held in current bank accounts.

The Company's use of cash is currently and is expected to continue to be focused on two principal areas, namely the funding of its general and administrative expenditures and the funding of its investment activities. Investing activities include the cash components of the cost of acquiring and exploring the Company's mineral claims. For the twelve-month period ending December 31, 2013, corporate head office costs are estimated to average less than $75,000 per quarter for a total yearly amount of $300,000. The $300,000 covers salaries and benefits, consulting fees, administrative and general, reporting issuer costs, accounting fees, professional fees and insurance. In addition, the Company plans to spend approximately $1.2 million on its exploration budget, which includes the flow-through commitment of $229,895. Given that the Company is still in the exploration phase and has not earned any revenue since its inception, and while the Company intends to spend the funds available to it as stated, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary.

While the Company has no source of revenue, it believes it has sufficient cash resources to meet its administrative overhead and maintain its mineral investments for the next year, depending on future events. In order to meet future expenditures and cover administrative and exploration costs beyond that point, the Company may 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 under terms favourable to the Company. See "Risk Factors" below.

Transactions with Related Parties

Related parties include the Board of Directors, officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

(a) Manitou entered into the following transactions with related parties:

	Year ended December 31, 2012 $	**Year ended December 31, 2011** $
Marrelli Support Services Inc. ("MSSI") (i)	19,000	nil
DSA Corporate Services Inc. ("DSA") (ii)	9,041	nil
Todd Keast Geological Services Inc. ("TKGSI") (iii)	nil	269,500
Todd Keast (iv)	nil	33,575
Ginguro Exploration Inc. ("Ginguro") (v)	4,870	9,742
Total	**32,911**	**312,817**

(i) The Chief Financial Officer ("CFO") of Manitou is the president of MSSI. Fees related to accounting services provided by MSSI. As at December 31, 2012, MSSI was owed $3,390 (December 31, 2011 - $nil) and these amounts were included in accounts payable and accrued liabilities.

(ii) The CFO of Manitou is an officer of DSA. Fees related to corporate secretarial services provided by DSA. DSA is a private company controlled by Carmelo Marrelli, the CFO of the Company. Mr. Marrelli is also the corporate secretary and sole director of DSA. As at December 31, 2012, DSA was owed $1,695 (December 31, 2011 - $nil) and these amounts were included in accounts payable and accrued liabilities.

(iii) The former vice president of exploration of Manitou is the president of TKGSI. Fees related to exploration management services provided by TKGSI. As at December 31, 2012, TKGSI was owed $nil (December 30, 2011 - $nil).

(iv) Todd Keast was the vice president of exploration of Manitou until June 29, 2012. During the year ended December 31, 2011, Manitou paid equipment rental fees totaling $2,295 and purchased $31,280 of exploration equipment from Mr. Keast. The transaction for the purchase of exploration equipment was reviewed and approved by the Company's board of directors as being in the interests of the Company. The Company has not paid any equipment rental charges to Mr. Keast subsequent to the purchase of the aforementioned equipment.

(v) The former CEO and CFO of Manitou are officers of Ginguro. The payments represented the reimbursement of the Company's proportionate share of general and administrative expenditures paid by the Ginguro on behalf of both parties. As at December 31, 2012, Ginguro was owed $nil (December 30, 2011 - $11,008) and these amounts were included in accounts payable and accrued liabilities.

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

(b) Remuneration of directors and key management personnel of the Company was as follows:

Salaries	Year Ended December 31, 2012 ($)	Year Ended December 31, 2011 ($)
Richard Murphy, former CEO	183,334	144,896
Guy Mahaffy, former CFO	178,333	144,896
Todd Keast, President, CEO	200,000	nil
Garett MacDonald, Director fee	2,250	1,500
Ron Arnold, Director fee	2,250	3,000
Wayne Whymark, Director fee	2,250	3,000
	568,417	**297,292**

Stock-based compensation	Year Ended December 31, 2012 ($)	Year Ended December 31, 2011 ($)
Richard Murphy, former CEO	nil	[a] 201,902
Guy Mahaffy, former CFO	nil	[b] 121,141
Todd Keast, President, CEO	nil	[c] 121,141
Garett MacDonald, Director fee	nil	[d] 60,570
Ron Arnold, Director fee	nil	[e] 60,570
Wayne Whymark, Director fee	nil	[f] 100,951
	nil	**666,275**

[a] Consists of 500,000 stock options granted to Mr. Murphy on April 20, 2011, each exercisable at $0.55 for a three year term, valued at $0.4038 per option using the Black-Scholes pricing model.

[b] Consists of 300,000 stock options granted to Mr. Mahaffy on April 20, 2011, each exercisable at $0.55 for a three year term, valued at $0.4038 per option using the Black-Scholes pricing model.

[c] Consists of 300,000 stock options granted to Mr. Keast on April 20, 2011, each exercisable at $0.55 for a three year term, valued at $0.4038 per option using the Black-Scholes pricing model.

[d] Consists of 150,000 stock options granted to Mr. MacDonald on April 20, 2011, each exercisable at $0.55 for a three year term, valued at $0.4038 per option using the Black-Scholes pricing model.

[e] Consists of 150,000 stock options granted to Mr. Arnold on April 20, 2011, each exercisable at $0.55 for a three year term, valued at $0.4038 per option using the Black-Scholes pricing model.

(f) Consists of 250,000 stock options granted to Mr. Whymark on April 20, 2011, each exercisable at $0.55 for a three year term, valued at $0.4038 per option using the Black-Scholes pricing model.

Changes in Accounting Policies

Recent Accounting Pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods after December 31, 2012. Many are not applicable to, or do not have a significant impact on, the Company and have been excluded from the table below. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

(i) IFRS 9 – Financial instruments ("IFRS 9") was issued by the IASB in October 2010 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2015.

(ii) IFRS 10 – Consolidated financial statements ("IFRS 10") was issued by the IASB in May 2011. IFRS 10 is a new standard that identifies the concept of control as the determining factor in assessing whether an entity should be included in the consolidated financial statements of the parent company. Control consists of three elements: power over an investee; exposure to variable returns from an investee; and the ability to use power to affect the reporting entity's returns. IFRS 10 is effective for annual periods beginning on or after January 1, 2014.

(iii) IFRS 11 – Joint arrangements ("IFRS 11") was issued by the IASB in May 2011. IFRS 11 is a new standard that focuses on classifying joint arrangements by their rights and obligations rather than their legal form. Entities are classified into two groups: parties having rights to the assets and obligations for the liabilities of an arrangement, and rights to the net assets of an arrangement. Entities in the former case account for assets, liabilities, revenues and expenses in accordance with the arrangement, whereas entities in the latter case account for the arrangement using the equity method. IFRS 11 is effective for annual periods beginning on or after January 1, 2013.

(iv) IFRS 12 – Disclosure of interests in other entities ("IFRS 12") was issued by the IASB in May 2011. IFRS 12 is a new standard that provides disclosure requirements for entities reporting interests in other entities, including joint arrangements, special purpose vehicles, and off-balance-sheet vehicles. IFRS 12 is effective for annual periods beginning on or after January 1, 2013.

(v) IFRS 13 – Fair value measurement ("IFRS 13") was issued by the IASB in May 2011. IFRS 13 is a new standard that provides a precise definition of fair value and a single source of fair value measurement considerations for use across IFRSs. The key points of IFRS 13 are as follows:

- fair value is measured using the price in a principal market for the asset or liability, or in the absence of a principal market, the most advantageous market;

- financial assets and liabilities with offsetting positions in market risks or counterparty credit risks can be measured on the basis of an entity's net risk exposure;
- disclosure regarding the fair value hierarchy has been moved from IFRS 7 to IFRS 13, and further guidance has been added to the determination of classes of assets and liabilities;
- a quantitative sensitivity analysis must be provided for financial instruments measured at fair value;
- a narrative must be provided discussing the sensitivity of fair value measurements categorized under Level 3 of the fair value hierarchy to significant unobservable inputs;
- and information must be provided on an entity's valuation processes for fair value measurements categorized under Level 3 of the fair value hierarchy.

IFRS 13 is effective for annual periods beginning on or after January 1, 2013.

(vi) IAS 1 – Presentation of financial statements ("IAS 1") was amended by the IASB in June 2011 in order to align the presentation of items in other comprehensive income with US GAAP standards. Items in other comprehensive income will be required to be presented in two categories: items that will be reclassified into profit or loss and those that will not be reclassified. The flexibility to present a statement of comprehensive income as one statement or two separate statements of profit and loss and other comprehensive income remains unchanged. The amendments to IAS 1 are effective for annual periods beginning on or after July 1, 2012.

(vii) IAS 27 – Separate Financial Statements

IAS 27 has the objective of setting standards to be applied in accounting for investments in subsidiaries, joint ventures, and associates when an entity elects, or is required by local regulations, to present separate (non-consolidated) financial statements. This standard is effective for annual periods beginning on or after January 1, 2013, with early application permitted. This standard will not have an impact on the consolidated financial statements.

(viii) IAS 28 – Investments in Associates and Joint Ventures

IAS 28 prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. IAS 28 applies to all entities that are investors with joint control of, or significant influence over, an investee (associate or joint venture). This standard is effective for annual periods beginning on or after January 1, 2013.

Management of Capital

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to be equity, comprising capital stock, contributed surplus, warrants and deficit, which at December 31, 2012, totaled $15,717,634 (December 31, 2011 - $14,562,814).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its mineral properties. Selected information is provided to the Board of Directors. The Company's capital management objectives, policies and processes have remained unchanged during the year ended December 31, 2012. The Company is not subject to any external capital requirements, other than the flow-through commitment of $229,895.

Financial Instruments

The Company's financial instruments consist of:

	As at December 31, 2012 $	As at December 31, 2011 $
Financial assets:		
Financial assets at fair value through profit or loss ("FVTPL")		
Cash and cash equivalents	2,563,695	6,472,362
Financial liabilities:		
Other financial liabilities		
Accounts payable and accrued liabilities	106,359	423,668

The Company is exposed to credit risk, market risk (consisting of interest rate risk), and liquidity risk.

Credit Risk

The financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash and cash equivalents. The Company mitigates its exposure to credit loss by placing its cash with major financial institutions and believes that its accounts receivable credit risk exposure is limited.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices and consists of two types of risk: interest rate risk and other price risk.

(i) Interest rate risk arises because of changes in market interest rates. The Company's cash and cash equivalents are subject to minimal risk of changes in value and are readily convertible into cash.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities as they come due. The Company's investment policy is to invest its excess cash in high-grade investment securities with varying terms to maturity, selected with regard to the expected timing of expenditures for continuing operations. Accounts payable and accrued liabilities are all current. The Company monitors its liquidity position and budgets future expenditures, in order to ensure that it will have sufficient capital to satisfy liabilities as they come due.

As at December 31, 2012, the Company has accounts payable and accrued liabilities of $106,359 (December 31, 2011 - $423,668) due within 12 months and has cash and cash equivalents of $2,563,695 (December 31, 2011 - $6,472,362) to meet its current obligations. As a result, the Company has minimal liquidity risk.

Outlook

Although there can be no assurance that additional funding will be available to the Company, management is of the opinion that the gold price will be favourable, and hence it may be possible to obtain additional funding for its projects.

Notwithstanding, the Company is mindful that the gold price could fall with little or no warning. Accordingly, its plans for the near term are to conduct focused exploration activities in an efficient manner, to monitor market fundamentals, and to ensure that the Company is well positioned to both advance its properties and to weather any possible resurgence of a market downturn. Currently, access to capital to fund small exploration companies is difficult.

Share Capital

As at the date of this MD&A, the Company had 53,172,411 issued and outstanding common shares.

Warrants outstanding for the Company as at the date of this MD&A were as follows:

Warrants	Expiry Date	Exercise Price
5,900,000	March 29, 2014	$0.70
227,039	April 18, 2014	$0.70
4,000,000	September 18, 2014	$0.25
10,127,039		

Stock options outstanding for the Company as at the date of this MD&A were as follows:

Options	Expiry Date	Exercise Price
1,225,000	May 11, 2013	$0.45
385,000	June 11, 2013	$0.45
1,840,000	April 20, 2014	$0.56
3,450,000		

Additional Disclosure for Venture Issuers Without Significant Revenue

Office and general

Detail	Year ended December 31, 2012 $	Year ended December 31, 2011 $
Salaries and benefits	507,495	393,063
Administrative and general	49,782	442,923
Reporting issuer costs	32,275	31,887
Accounting fees	26,256	8,822
Insurance	13,401	23,127
Total	**629,209**	**899,822**

Exploration and evaluation expenditures

During the year ended December 31, 2012, the Company incurred and capitalized to mineral properties and exploration costs, $3,354,952 of exploration expenditures and $512,577 of acquisition and holding costs, for total capitalized expenditures of $3,867,529. The total capitalized expenditures were for the Company's following properties:

Property	2012 – Q1	2012 – Q2	2012 – Q3	2012 – Q4	Write-downs	2012 Total
Kenwest	$603,684	$29,615	$11,475	$22,118	-	**$666,892**
Canamerica	17,037	69,589	4,566	1,238	-	**92,430**
Sherridon	149,040	50,084	64,384	25,856	-	**289,364**
Gaffney Extension	458,034	61,596	1,172,620	321,165	-	**2,013,415**
Aaronson Creek (Gaffney Ext.)	28,474	1,057	3,349	1,798	-	**34,678**
West Limb / Merrill	1,689	52,233	36,223	-	-	**90,145**
Harper Lake	28,836	9,245	900	-	-	**38,981**
Mosher Bay	1,350	291,077	5,698	10,055	-	**308,180**
Sunshine Lake	30,695	4,189	2,700	1,800	$(39,384)	**-**
Elora	-	204,696	35,328	93,420	-	**333,444**
Total	**$1,318,839**	**$773,381**	**$1,337,243**	**$477,450**	**$(39,384)**	**$3,867,529**

Further details regarding expenditures capitalized to individual mineral properties during the year are contained in a schedule to the Company's December 31, 2012, audited financial statements.

Risk Factors

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors described below.

Exploration, Development and Operating Risks

Mining and exploration operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of precious metals, including unusual and unexpected geologic formations, seismic activity, rock bursts, 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 producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability.

The exploration for and development of mineral deposits involves significant risks which may not be eliminated even with a combination of careful evaluation, experience and knowledge. While the discovery of precious metals and other minerals may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes, and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as quantity and quality of the minerals and proximity to infrastructure; mineral prices, which are highly cyclical; and government regulations, including regulations on prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, and environmental protection. The exact effect of these factors cannot be accurately predicted but their combination may result in the Company not receiving an adequate return on invested capital.

There is no certainty that the expenditures made by the Company on the search and evaluation of precious metals and other minerals will result in discoveries of commercial quantities of ore or other minerals.

Land Title

Although the title to the properties in which the Company holds an interest was reviewed by or on behalf of the Company, no formal title opinions were delivered to the Company and, consequently, no assurances can be given that there are no title defects affecting such properties. Title insurance generally is not available, and the Company's ability to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be severely constrained. The Company has not conducted surveys of the claims in which it holds direct or indirect interests and, therefore, the precise area and location of such claims may be in doubt. Accordingly, the Company's mineral properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects.

Competition May Hinder Corporate Growth

The mining industry is competitive in all of its phases. The Company faces strong competition from other mining companies for the acquisition of properties producing, or capable of producing, precious and base metals. Many of these companies have greater financial resources, operational experience and technical capabilities than the Company. As a result of this competition, the Company may be unable to maintain or acquire attractive mining properties or skilled resources on terms it considers acceptable or at all. Consequently, the Company's revenues, operations and financial condition could be materially adversely affected.

Additional Capital

The development and exploration of the Company's properties may require substantial additional financing. Failure to obtain sufficient financing may result in the delay or indefinite postponement of exploration, development or production on any or all of the Company's properties or even a loss of property interest. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company.

Commodity Prices

The price of the common shares, the Company's financial results and exploration, development and mining activities may in the future be significantly adversely affected by declines in the price of gold. Gold prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the sale or purchase of gold by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of major gold-producing countries throughout the world. The price of gold has fluctuated widely in recent years, and future serious price declines could cause continued development of the Company's properties to be impracticable. Future production from the Company's properties is dependent on gold prices that are adequate to make these properties economic.

In addition to adversely affecting the Company's reserve and/or resource estimates and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Government Regulation

The mining, processing, development and mineral exploration activities of the Company are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters.

Exploration may also be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploration and production, price controls, export controls, currency availability, foreign exchange controls, income taxes, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental and other non-governmental organizations, limitations on foreign ownership, expropriation of property, ownership of assets, environmental legislation, labour relations, limitations on repatriation of income and return of capital, limitations on mineral exports, high rates of inflation, increased financing costs, and site safety. This may affect both the Company's ability to undertake exploration and development activities on present and future properties in the manner contemplated, and its ability to continue to explore, develop and operate those properties in which it has an interest or for which it has obtained exploration and development rights to date.

Although the Company believes that its exploration and development activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail development or future potential production. Amendments to current laws and regulations governing operations and activities of mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Company.

Political Risks

All of the Company's current operations are conducted in Ontario, and as such, are exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties include, but are not limited to, renegotiation or nullification of existing concessions, licenses, permits and contracts, and changes in taxation policies.

Future political actions cannot be predicted and may adversely affect the Company. Changes, if any, in mining or investment policies or shifts in political attitude in the province of Ontario may adversely affect the Company's business, results of operations and financial condition. Future operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety. The possibility that future governments may adopt substantially different policies, which may extend to the expropriation of assets, cannot be ruled out.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure could result in loss, reduction or expropriation of entitlements. The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the Company's consolidated business, results of operations and financial condition.

Labour and Employment Matters

While the Company has good relations with its employees, these relations may be impacted by changes in the scheme of labour relations which may be introduced by the relevant governmental authorities in whose jurisdictions the Company carries on business. Adverse changes in such legislation may have a material adverse effect on the Company's business, results of operations and financial condition.

Market Price of Common Shares

Securities of micro- and small-cap companies have experienced substantial volatility in the past, 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 Company's share price is also likely to be significantly affected by short-term changes in gold prices or in its financial condition or results of operations as reflected in its quarterly earnings reports. Other factors unrelated to the Company's performance that may have an effect on the price of the common shares include the following: the extent of analytical coverage available to investors concerning the Company's business may be limited if investment banks with research capabilities do not continue to follow the Company; lessening in trading volume and general market interest in the Company's securities may affect an investor's ability to trade significant numbers of common shares; the size of the Company's public float may limit the ability of some institutions to invest in the Company's securities; and a substantial decline in the price of the common shares that persists for a significant period of time could cause the Company's securities to be delisted from the exchange on which they trade, further reducing market liquidity.

As a result of any of these factors, the market price of the common shares at any given point in time may not accurately reflect the Company's long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Company 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.

Future Sales of Common Shares by Existing Shareholders

Sales of a large number of common shares in the public markets, or the potential for such sales, could decrease the trading price of the common shares and could impair the Company's ability to raise capital through future sales of common shares. The Company has previously completed private placements at prices per share which are from time to time lower than the market price of the common shares. Accordingly, a significant number of shareholders of the Company have an investment profit in the common shares of the Company that they may seek to liquidate.

Conflicts of Interest

Certain of the directors and officers of the Company 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 decision made by any of such directors and officers involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in the Business Corporations Act (Ontario) and other applicable laws.

Management

The success of the Company is currently largely dependent on the performance of its management. Shareholders will be relying on the good faith, experience and judgment of the Company's management and advisers in supervising and providing for the effective management of the business of the Company. The loss of the services of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its management or other qualified personnel required to operate its business. Failure to do so could have a materially adverse effect on the Company and its prospects.

Additionally, directors and officers of the Company may also serve as directors and/or officers of other public companies from time to time.

Consequently, such directors and officers will be dividing their time between their duties to the Company and their duties to their other reporting issuers.

The Company has not purchased "key-man" insurance, nor has it entered into non-competition and non-disclosure agreements with management and has no current plans to do so.

Permitting Matters

The Company's operations are subject to receiving and maintaining permits and licences from appropriate governmental authorities from time to time. Although Manitou currently has all required permits and licences for its operations as currently conducted, there is no assurance that delays will not occur in connection with obtaining all necessary renewals of such permits and licences for the existing operations or additional permits or licences for all future new operations. Prior to any development on any of its properties, Manitou must receive permits and licences from appropriate governmental authorities. There can be no assurance that Manitou will receive and/or continue to hold all permits and licences necessary to develop or continue operating at any particular property, or that any such licences or permits awarded will not be cancelled pursuant to applicable legislation.

Insurance and Uninsured Risks

Manitou's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to Manitou's properties or the properties of others, delays in exploration, development, monetary losses and possible legal liability.

The Company currently maintains directors' and officers' liability insurance and general liability insurance in such amounts as it considers to be reasonable. Accordingly, the insurance of the Company does not cover the potential risks associated with a mineral exploration company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production may not be generally available to Manitou or to other companies in the mineral exploration industry on acceptable terms. Manitou might also become subject to liability for pollution or other hazards which may not be insured against or which Manitou may elect not to insure against because of premium costs or other reasons. Losses from these events may cause Manitou to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Environmental Risks and Hazards

All phases of Manitou's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect Manitou's operations. Environmental hazards may exist on the properties on which Manitou holds interests which are unknown to Manitou at present and which have been caused by previous or existing owners or operators of the properties. Government approvals and permits are currently, and may in the future be, required in connection with Manitou's operations. To the extent such approvals are required and not obtained, Manitou may be curtailed or prohibited from proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mineral exploration activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and/or mineral exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses or capital expenditures or require abandonment or delays in development of new mineral exploration properties.

Infrastructure

Mineral exploration, processing, development and related activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect Manitou's operations, financial condition and results of operations.

No History of Mineral Production

Manitou has never had any interest in mineral producing properties. There is no assurance that commercial quantities of minerals will be discovered at any of Manitou's current or future properties, nor is there any assurance that the exploration programs thereon will yield any positive results. Even if commercial quantities of minerals are discovered, there can be no assurance that any of the Company's properties will ever be brought to a stage where mineral resources can profitably be produced thereon. Factors which may limit the ability of Manitou to produce mineral resources from its properties include, but are not limited to, the price of the mineral resources for which the Company is exploring, availability of additional capital and financing and the nature of any mineral deposits.

Commitments

Pursuant to the terms of a flow-through subscription agreement, the Company is committed to incurring $600,000 of "Canadian Exploration Expenditures" on or prior to December 31, 2013. As at December 31, 2012, the Company has incurred approximately $370,105 of this commitment.

Subsequent Events

- In February 2013, the Directors of the Company approved an extension to the term of certain warrants.

  The Company issued 5,900,000 warrants as part of a private placement financing that closed on March 29, 2011. Each warrant was originally exercisable to purchase one common share of the Company at a price of $0.70 per share until March 29, 2013. The extension of the expiry date to March 29, 2014, was approved by the Directors and the TSX Venture Exchange.

  The Company issued 227,039 warrants as part of a private placement financing that closed on April 18, 2011. Each warrant was originally exercisable to purchase one common share of the Company at a price of $0.70 per share until April 18, 2013. The extension of the expiry date to April 18, 2014, was approved by the Directors and the TSX Venture Exchange.

- On March 4, 2013, 4,605,000 warrants with an exercise price of $0.40 expired.

- On March 29, 2013, 1,365,000 warrants with an exercise price of $0.55 expired.

Additional Information

Additional information regarding the Company is available on SEDAR at **www.sedar.com**.