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, 2013 and 2012. 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, 2013 and 2012, 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 IFRS Interpretations Committee ("IFRIC"). Information contained herein is presented as of April 17, 2014, 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 statements 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. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-looking statements	Assumptions	Risk factors
The Company's properties may contain economic deposits of gold and/or other metals (see "Mineral Exploration Properties", "Description of Business", "Trends", "Overall Objective")	The results of the Company's exploration and development activities will be favourable; operating, exploration and development costs will not exceed the Company's expectations; the price of gold and/or other applicable metals and applicable interest and exchange rates will be favourable to the Company; no title disputes will exist with respect to the Company's properties	Uncertainties involved in interpreting geological data; the risk that future exploration results will not be consistent with the Company's expectations; maintaining compliance with environmental regulations and the risk of changes to environmental and other local legislation and regulation; the volatility of the price of gold and/or other metals or minerals; increases in costs; interest rate and exchange rate fluctuations; changes in economic and political conditions; the risk of title disputes and confirming and maintaining title to the Company's properties
The Company will be able to carry out anticipated business plans as currently contemplated in relation to the costs and timing for future exploration on its properties, and the Company has sufficient cash resources to meet administrative overhead and maintain its mineral investments for the next year (see "Mineral Exploration Properties", "Trends", "Overall Objective", "Liquidity and Capital Resources" and "Outlook")	Financing will be available for future exploration and development of the Company's properties; the Company's future operations and exploration activities, and the costs associated therewith, will be consistent with the Company's current expectations; the results of exploration and development activities on the Company's properties will be favourable; the Company will be able to retain and attract skilled staff in order to complete its business objectives; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company; the Company will not be adversely affected by market competition; the price of gold and/or other applicable metals will be favourable to the Company; debt and equity markets, exchange and interest rates and other applicable	External financing on acceptable terms to the Company will not be available at the applicable times; the possibility that future exploration results will not be consistent with the Company's expectations; increases in costs; the Company may be unable to retain and attract skilled staff; maintaining compliance with environmental regulations and the risk of changes to environmental and other local legislation and regulation; the Company may be unable to obtain all required permits and approvals; the volatility of the price of gold and/or other metals or minerals; interest rate and exchange rate fluctuations; changes in economic and political conditions; the risk of title disputes and confirming and maintaining title to the Company's properties

	economic conditions will be favourable to the Company at the applicable times; no title disputes will exist with respect to the Company's properties	
Management's outlook regarding future trends (see "Trends", "Outlook" and "Overall Objective")	Financing will be available for the Company's exploration and operating activities; the price of gold and/or other applicable metals or minerals will be favourable to the Company	The volatility of the price of gold and/or other metals or minerals; changes in debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including risks associated with the exploration, development and mining industry such as economic factors as they effect exploration, future commodity prices, obtaining financing, market conditions, changes in interest rates, actual results of current exploration activities, government regulation, political or economic developments, environmental risks, insurance risks, capital expenditures, operating or technical difficulties in connection with development activities, personnel relations, the speculative nature of mineral exploration and development, including the risks of diminishing quantities of grades of resources and reserves; contests over title to properties, and changes in project parameters as plans continue to be refined. Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Assumptions have been made regarding, among other things: the Company's ability to carry on its exploration and development activities, the timely receipt of any required approvals, the price of metals and minerals, the ability of the Company to obtain qualified personnel, equipment and services in a timely and cost-efficient manner, the ability of the Company to operate in a safe, efficient and effective manner, the ability of the Company to obtain financing on acceptable terms, the accuracy of the Company's resources estimates and geological, operational and price assumptions on which these are based and the regulatory framework regarding environmental matters. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

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) a 100% interest in the Gaffney Extension property, located in Kenora Mining Division, Ontario; and (iii) a 100% 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

- Exploration and evaluation expenditures continued at the Company's projects. Management will continue to expand the knowledge and understanding of the core projects through well-thought-out exploration programs;

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

    - 5,900,000 warrants were issued by the Company 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 date of expiry of the warrants to March 29, 2014 was approved by the Directors and the TSX Venture Exchange.

    - 227,039 warrants were issued by the Company 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 date of expiry of the warrants to April 18, 2014 was approved by the Directors and the TSX Venture Exchange.

- Pursuant to an asset transfer agreement dated September 27, 2013, the Company purchased all of the rights, title and interest in and to the property known as the Gaffney Property, in exchange for an aggregate of 1,000,000 common shares of the Company and 1,000,000 share purchase warrants of the Company, with each share purchase warrant being exercisable for a two year period to acquire one additional common share of the Company at an exercise price of $0.50.

  Also in connection with the transfer agreement, the Company and the vendor of the Gaffney Property have agreed to enter into the following net smelter return royalty (the "NSR Royalty") agreements (collectively, the "Royalty Agreements") in respect of mineral production from the Gaffney Property, the mineral claims known as the Gaffney

Extension Property (collectively, the "Purchaser Property") and certain additional mineral claims located in the vicinity (collectively, the "Purchaser Option Claims") which are the subject of an option in favour of the Company pursuant to the option agreement between the Company, David Healey and Karl Bjorkman dated January 31, 2011 (the "Option Agreement"), as applicable:

(a) an NSR Royalty agreement pursuant to which the vendor retains a 2% NSR Royalty on the Gaffney Property with no right of buyout;

(b) an NSR Royalty agreement pursuant to which the Company will grant to the vendor a 0.125% NSR Royalty on the Purchaser Property (excluding the Purchaser Option Claims), with no right of buyout; and

(c) an NSR Royalty agreement pursuant to which, conditional on the exercise by the Company of its option to acquire a 100% interest on the Purchaser Option Claims, among other things, the Company will grant to the vendor the following:

(i) a 0.125% NSR Royalty on the Purchaser Option Claims;

(ii) the right to purchase, with or without the Company, one half of the 2.5% NSR Royalty retained by the optionors under the Option Agreement (the "Royalty Purchase"), being a 1.25% NSR Royalty on the Purchaser Option Claims or any other properties that may be included as part of the Purchaser Option Claims (the "Purchased Royalty"); pursuant to the Option Agreement, the Royalty Purchase will be made in exchange for a cash payment of $1.25 million to the optionors (the "Cash Payment"), which, if effected by the Company and the vendor, will be payable as follows: 50% by the vendor and 50% by the Company. Upon completion of the Royalty Purchase, the vendor will be entitled to 50% of the Purchased Royalty, being a 0.625% NSR Royalty, and the Company will be entitled to, and shall extinguish, the other 50% of the Purchased Royalty, being a 0.625% NSR Royalty; and

(iii) the right to solely complete the Royalty Purchase in certain circumstances by making 100% of the Cash Payment and thereby receiving 100% of the Purchased Royalty, being a 1.25% NSR Royalty on the Purchaser Option Claims.

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, 2013, the Company had assets of $14,621,323 and a net equity position of $14,589,562. This compares with assets of $15,823,993 and a net equity position of $15,717,634 at December 31, 2012. The Company has $31,781 of liabilities and no debt (December 31, 2012 – $106,359 of liabilities and no debt). The Company incurred and capitalized to mineral properties and exploration costs $872,548 during the year ended December 31, 2013 (year ended December 31, 2012 - $3,867,529).

At December 31, 2013, the Company had working capital of $1,467,673, compared to $2,539,175 at December 31, 2012, a decrease of $1,071,502, or approximately 42%. The Company had cash and guaranteed investment certificates ("GICs") of $1,373,821 at December 31, 2013, compared to $2,563,695 at December 31, 2012, a decrease of $1,189,874, or approximately 46%. The decrease in working capital and cash and GICs can be attributed to the Company's exploration program and operating expenses.

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 revenue. 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.

During the year ended December 31, 2013, the Company incurred and capitalized to mineral properties and exploration costs, $624,936 of exploration expenditures and $247,612 of acquisition and holding costs, for total capitalized expenditures of $872,548. The Company also recorded write-downs in the first and second quarters of 2013, represented by $87,573 of exploration expenditures and $67,308 of acquisition and holding costs at the Company's Merrill property, $343,956 of exploration expenditures and $42,200 of acquisition and holding costs at the Company's Mosher Bay property as well as $255,088 of exploration expenditures and $121,579 of acquisition and holding costs at the Company's West Limb property. The Company has decided not to pursue exploration on the Merrill, Mosher Bay and West Limb properties and has written-down all deferred expenditures expended on the properties.

The budget for 2014 would see Manitou end calendar 2014 with approximately $778,000 in the bank with an estimate of general and administrative costs for calendar 2014 at $268,000. The Company expects to spend $327,000 on its exploration program during 2014. If the market situation at the end of 2014 is still weak, Manitou would further reduce costs and minimize exploration.

Kenwest and Elora Projects:

In 2013, the Company spent $52,380 on exploration expenditures and $3,089 on acquisition costs for the Kenwest property and adjacent properties which consisted of structural mapping and mechanical trenching to further the understanding of the complex shear systems in the area. The Company also spent $413,968 on exploration expenditures and $100,000 on acquisition costs for the Elora property which consisted of various activities.

On May 9, 2013, Manitou announced the results of nine diamond drill holes from the 2013 winter drill program on the Elora property. Mechanical trenching and geological mapping were completed in the fall of 2012, as well as a full review and reinterpretation of all previous exploration activities conducted on the property. Eight discrete shear structures were identified on the Elora property and the 2013 drill program was designed to test a number of these structures. Diamond drill holes E-13-47 and E-13-48 were drilled approximately 340 metres northeast of the historical Jubilee Mine. Seafield Resources Ltd., the previous operator intersected a sericite-fuchsite schist in drill hole E- 08-36 which included 1.34 g/t Au over a core length of 10.0 metres and in drill hole E-08-37 which included 1.40 g/t Au over 9.5 metres. Manitou re-logged these drill holes to confirm their accuracy. Recently completed drill hole E-13-47 intersected a 10.4 metre interval which averaged 1.7 g/t Au. Drill hole E-13-48, drilled 50 metres behind E-13-47, intersected 1.2 g/t Au over a core length of 7.5 metres. The intersection of sericite-fuchsite alteration in these two drill holes, in conjunction with the historical drill holes E- 08-36 and E-08-37, represents a new style of gold mineralization and alteration on the Elora property that has only been tested for a strike length of 50 metres and to a vertical depth of 100 metres.

Drill holes E-13-45 and E-13-46 tested the southwestern extension of the historical Laurentian Mine trend, approximately 150 metres southwest of the Laurentian shaft. Drill hole E-13-45 intersected a chlorite–sericite shear zone containing a 1.5 metre wide quartz vein. This zone averaged 4.6 g/t Au over a core length of 3.6 metres (including 20.9 g/t Au over 0.75 metres), and provides positive indication of the continuation of the Laurentian shear structure towards the southwest. Seafield Resources Ltd., the previous operator, drilled these holes and Manitou re-logged these drill holes to confirm their accuracy.

Please refer to the press releases of the Company dated April 24, 2012; May 22, 2012; June 29, 2012; July 12, 2012; August 16, 2012; November 1, 2012; November 29, 2012; February 13, 2013; May 9, 2013, and August 8, 2013 for specific details with respect to the Elora property, Ontario, Canada, all available at **www.sedar.com**. Full table of assays can be found on the Company's website at **www.manitougold.com**.

During the 2013 summer exploration season the Company completed a Soil Gas Hydrocarbon ("SGH") survey over portions of the Elora and Kenwest properties. The SGH survey identified two robust anomalies which both ranked 5.5 out of 6.0 (as interpreted and rated by Activation Laboratories Ltd.). The first anomaly is located approximately 500 metres southwest of the Jubilee zone in an area with little past exploration work. The second SGH anomaly is located between the Jubilee Shear and the Big Master #1 Shear on the Overlook Shear Zone. Both SGH anomalies are proximal to the historical patent property boundary which is believed to have been a hindrance to previous exploration efforts.

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.

Elora and Kenwest Exploration Plans for 2014: Manitou will conduct a winter diamond drill program on the Elora and Kenwest Projects. The Company anticipates completing approximately 1,200 metres of drilling to test the shallow portion of the prospective Jubilee gold zone, two prominent SGH geochemical anomalies, and the high grade gold showing on the #2 shear zone.

Approximately 10 diamond drill holes are planned to evaluate the shallow portion (0-50m vertical depth) of the Jubilee Zone along a strike distance of 125 metres. Additional holes along strike and at depth will be considered pending the results of the initial holes.

The Company estimates the cost for the Elora and Kenwest exploration plans for 2014 will be $275,000.

Gaffney Extension:

In 2013, the Company spent $95,910 on exploration expenditures and $144,523 on acquisition costs for the Gaffney Extension which consisted of various activities.

On December 12, 2013, Manitou announced the receipt of channel sample assay results from the recently completed work program on the Gaffney Patents. The purpose of the program was to complete a comprehensive sampling program on trenches previously sampled by Sylvanite Gold Mines Ltd. in 1943, and to establish the distribution of gold mineralization in the different rock units. Channel samples were collected from some of the historical trenches and from two new areas exposed by the Company within the vicinity of the historical Gaffney Shaft. The majority of the 172 cut channel samples (136 metres) returned anomalous gold values >0.05 g/t Au with assays ranging between 0.01 g/t Au to 74.30 g/t.

Complete table of assays can be found on the Company's website (**http://manitougold.com/projects/gaffney-extension/results/**)

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 2014: The Company is planning on a mapping and sampling program for 2014. A budget of $50,000 for 2014 is planned.

Sherridon project:

In 2013, the Company spent $1,534 on exploration expenditures for the Sherridon project which consisted of some prospecting and mechanical trenching in order to identify significant lithological contacts and or larger sized shear structures. The Company spent $1,534 in calendar 2013 on these exploration activities.

Sherridon Plans for 2014: No work planned for 2014.

Canamerica project:

In 2013, the Company spent $14,554 on exploration expenditures for the Canamerica project which consisted of mechanical trenching, mapping and sampling.

Canamerica Plans for 2014: No work planned for 2014.

Harper Lake project:

In 2013, the Company spent $45,688 on exploration expenditures for the Harper project which consisted of mapping and sampling.

Harper Plans for 2014: No work planned for 2014.

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 Chief Executive Officer ("CEO") of the Company.

Environmental Liabilities

The Company is not aware of any environmental liabilities or obligations associated with its mineral property 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 financial statements of the Company as at December 31, 2013, 2012 and 2011 and for the years ended December 31, 2013, 2012 and 2011.

Description	Year Ended December 31, 2013 ($)	Year Ended December 31, 2012 ($)	Year Ended December 31, 2011 ($)
Total revenues	nil	nil	nil
Total income (loss) (1)(2)	(1,274,592)	276,648	(1,116,035)
Net income (loss) per common share - basic and diluted(3)(4)	(0.024)	0.005	(0.026)

Description	As at December 31, 2013 ($)	As at December 31, 2012 ($)	As at December 31, 2011 ($)
Total assets	14,621,323	15,823,993	15,980,979
Total non-current financial liabilities	nil	nil	162,497
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 loss for the year ended December 31, 2013, consisted primarily of interest income of $23,777. This was offset by: (i) general and administrative of $288,265; (ii) professional fees of $64,490; and (iii) write-down of deferred exploration expenditures of $917,704.

- 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 MD&A, 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 with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure 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 Basic and Diluted Income (Loss) Per Share $
December 31, 2013	-	(83,487) [1]	(0.00)
September 30, 2013	-	(52,450) [2]	(0.00)
June 30, 2013	-	(640,074) [3]	(0.01)
March 31, 2013	-	(498,581) [4]	(0.01)
December 31, 2012	-	(174,359) [5]	(0.00)
September 30, 2012	-	(113,556) [6]	(0.00)
June 30, 2012	-	(145,926) [7]	(0.00)
March 31, 2012	-	710,489 [8]	0.01

Notes:

(1) Net loss of $83,487 includes administrative and general of $63,394, professional fees of $20,923, project generation and evaluation of $245 and amortization of $2,857. These amounts are offset by interest income of $3,932.

(2) Net loss of $52,450 includes administrative and general of $39,292, professional fees of $8,547, project generation and evaluation of $6,289 and amortization of $2,859. These amounts were offset by interest income of $4,537.

(3) Net loss of $640,074 includes administrative and general of $68,673, professional fees of $31,522, project generation and evaluation of $810, write-down of deferred exploration expenditures of $541,037 and amortization of $2,859. These amounts were offset by interest income of $4,827.

(4) Net loss of $498,581 includes administrative and general of $116,906, professional fees of $3,498, project generation and evaluation of $9,132, write-down of deferred exploration expenditures of $376,667 and amortization of $2,859. These amounts were offset by interest income of $10,481.

(5) 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.

(6) 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.

(7) 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.

(8) 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.

Discussion of Operations

Year ended December 31, 2013, compared with year ended December 31, 2012

Manitou's net loss totaled $1,274,592 for the year ended December 31, 2013, with basic and diluted loss per share of $0.02. This compares with a net income of $276,648 with basic and diluted earnings per share of $0.005 for the year ended December 31, 2012. The decrease in net income of $1,551,240 was principally because:

- There was no flow through premium income realized during 2013 (year ended December 31, 2012 - $832,000).

- Administrative and general expenses decreased to $288,265 for the year ended December 31, 2013 (year ended December 31, 2012 - $629,209). The decrease stems primarily from reductions in salaries and benefits, as well as reduced travel and marketing costs in 2013. Included in administrative and general expenses for the year ended December 31, 2013, is total salaries and benefits of $119,592 (year ended December 31, 2012 - $507,495). In addition, included in salaries and benefits were director fees of $4,500 for the year ended December 31, 2013 (year ended December 31, 2012 - $6,750). These decreases were offset by a reversal of an over-accrual in 2012 for a liability that was accrued at an estimated amount in 2011.

- Professional fees decreased to $64,490 for the year ended December 31, 2013 (year ended December 31, 2012 - $84,198). Included in professional fees for the year ended December 31, 2013 are costs associated with the acquisition of the Gaffney Patents, however, professional fees decreased by $19,708.

- Interest income decreased by $39,912 during the year ended December 31, 2013, compared to the year ended December 31, 2012. 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 at the Company's West Limb, Merrill and Mosher Bay properties in the amount of $917,704 were expensed during the year ended December 31, 2013, compared to $39,384 expensed during the comparative year ended December 31, 2012 at the Company's Sunshine Lake property.

- All other expenses related to general working capital.

Three months ended December 31, 2013, compared with three months ended December 31, 2012

Manitou's net loss totaled $83,487 for the three months ended December 31, 2013, with basic and diluted loss per share of $nil. This compares with net loss of $174,359 with basic and diluted loss per share of $nil for the three months ended December 31, 2012. The decrease in net loss of $90,872 was principally because:

- Administrative and general expenses decreased by $66,581 to $63,394 for the three months ended December 31, 2013 (three months ended December 31, 2012 - $129,975). This variance is primarily attributable to a decrease in salaries and benefits. In addition, included in salaries and benefits were director fees of $2,250 for the three months ended December 31, 2013, compared to $nil for the three months ended December 31, 2012.

- During the three months ended December 31, 2013, professional fees were $20,923, whereas professional fees for the 2012 comparable period were $28,837, a reduction of $7,914 primarily due to a $7,000 reduction to the financial statement audit fee accrual.

- Write-downs of deferred exploration expenditures for the three months ended December 31, 2013, were $nil (three months ended December 31, 2012 - $39,384 at the Company's Sunshine Lake property.

- 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, 2013, the Company had 54,847,411 common shares issued and outstanding, 11,127,039 warrants outstanding that would raise $5,788,927 and 1,840,000 options outstanding that would raise $1,030,400 if exercised in full. This is not anticipated in the immediate future. See "Trends" above.

Amounts payable and other liabilities decreased to $31,781 at December 31, 2013, compared to $106,359 at December 31, 2012, and consist of amounts that are to be extinguished in due course. The Company's cash as of December 31, 2013, is sufficient to pay these liabilities.

At December 31, 2013, the Company had working capital of $1,467,673, compared to $2,539,175 at December 31, 2012, a decrease of $1,071,502, or approximately 42%. The Company had cash and GICs of $1,373,821 at December 31, 2013, compared to $2,563,695 at December 31, 2012, a decrease of $1,189,874, or approximately 46%. The decrease in working capital and cash and GICs can be attributed to the Company's exploration program and operating expenses.

Cash used in operating activities was $463,826 for the year ended December 31, 2013. Operating activities were affected by a net change in non-cash working capital balances of $118,372 because of a decrease in amounts payable and other liabilities of $74,578, and a decrease of amounts receivable and other assets of $43,794. The Company also recorded a write down of deferred exploration expenditures of $917,704 and amortization of $11,434.

Cash used for investing activities for the year ended December 31, 2013, was $706,048 and was entirely attributed to deferred exploration expenditures.

Financing activities consisted solely of share issue costs in the amount of $20,000 for the year ended December 31, 2013. Cash provided by financing activities was $585,622 for the year ended December 31, 2012.

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, 2014, corporate head office costs are estimated to average less than $67,000 per quarter for a total yearly amount of $268,000. The $268,000 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 $327,000 on its exploration budget for calendar 2014. 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 and "Cautionary Note Regarding Forward Looking Statements" above.

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 share capital, contributed surplus, warrants and deficit, which at December 31, 2013, totaled $14,589,542 (December 31, 2012 - $15,717,634).

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, 2013. The Company is not subject to any external capital requirements, other than the flow-through commitment of $600,000, which has been met during the first quarter of 2013.

Transactions with Related Parties

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

The noted transactions below are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

During the year, the Company expensed $37,542 (2012 - $19,000) to Marrelli Support Services Inc. ("MSSI") for the services of Carmelo Marrelli to act as Chief Financial Officer ("CFO") of the Company. Carmelo Marrelli is the president of MSSI. The amounts charged by MSSI are based on what MSSI usually charges its clients. The Company expects to use MSSI for an indefinite period of time. As at December 31, 2013, MSSI was owed $nil (December 31, 2012 - $nil).

During the year, the Company expensed $24,373 (2012 - $9,041) to DSA Corporate Services Inc. ("DSA"). Fees related to corporate secretarial and corporate filing services provided by DSA. DSA is a private company controlled by Carmelo Marrelli, the CFO of the Company. Carmelo Marrelli is also the corporate secretary and sole director of DSA. The amounts charged by DSA are based on what DSA usually charges its regular clients. The Company expects to use DSA for an indefinite period of time. As at December 31, 2013, DSA was owed $3,433 (December 31, 2012 - $1,695) and these amounts were included in amounts payable and other liabilities.

Salaries paid to key management personnel for the year ended December 31, 2013 totaled $217,042 (2012 - $587,417). Key management personnel are comprised of the Company's former and current CEO, the Company's President, the Company's former and current CFO, and directors. Remuneration of directors and key management of the Company was as follows:

Salaries	Year Ended December 31, 2013 ($)	Year Ended December 31, 2012 ($)
Richard Murphy, former CEO	nil	183,334
Guy Mahaffy, former CFO	nil	178,333
Todd Keast, President, CEO	175,000	200,000
Carmelo Marrelli (MSSI), CFO	37,542	19,000
Garett MacDonald, Director fee	1,500	2,250
Ron Arnold, Director fee	1,500	2,250
Wayne Whymark, Director fee	1,500	2,250
	217,042	**587,417**

The Board of Directors and officers do not have employment or service contracts with the Company. Directors are entitled to director fees and stock options for their services and officers are entitled to stock options for their services.

To the knowledge of the directors and executive officers of the Company as of December 31, 2013, the common shares of the Company were widely held. As of December 31, 2013, directors and officers of the Company control an aggregate of 1,003,000 common shares or approximately 1.83% of the shares outstanding. These holdings can change at any time at the discretion of the owner.

To the knowledge of the Company, it is not directly or indirectly owned or controlled by another corporation, by any government or by any natural or legal person severally or jointly.

Changes in Accounting Policies

(i) IFRS 10 – Consolidated financial statements ("IFRS 10") was issued by the IASB in May 2011. IFRS 10 is a new standard which 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 is comprised 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. At January 1, 2013, the Company adopted this pronouncement and there was no material impact on the Company's financial statements.

(ii) IFRS 11 - Joint Arrangements ("IFRS 11") was issued by the IASB in May 2011 and will replace IAS 31 - Interest in Joint Ventures and SIC 13 - Jointly Controlled Entities - Non-Monetary Contributions by Venturers. IFRS 11 is a new standard which focuses on classifying joint arrangements by their rights and obligations rather than their legal form. Entities are classified into two groups: joint operations and joint ventures. A joint operation exists when the parties have rights to the assets and obligations for the liabilities of a joint arrangement. A joint venture exists when the parties have rights to the net assets of a joint arrangement. Assets, liabilities, revenues and expenses in a joint operation are accounted for in accordance with the arrangement. At January 1, 2013, the Company adopted this pronouncement and there was no material impact on the Company's financial statements.

(iii) IFRS 12 – Disclosure of interests in other entities ("IFRS 12") was issued by the IASB in May 2011. IFRS 12 is a new standard which provides disclosure requirements for entities reporting interests in other entities, including joint arrangements, special purpose vehicles, and off balance sheet vehicles. At January 1, 2013, the Company adopted this pronouncement and there was no material impact on the Company's financial statements.

(iv) IFRS 13 – Fair Value Measurement is effective for the Company beginning on January 1, 2013, provides the guidance on the measurement of fair value and related disclosures through a fair value hierarchy. At January 1, 2013, the Company adopted this pronouncement and there was no material impact on the Company's financial statements given the existing asset and liability mix of the Company to which fair value accounting applies.

(v) IAS 1 - Presentation of Financial Statements ("IAS 1") was amended by the IASB in June 2011. As a result of the amendment, 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. At January 1, 2013, the Company adopted this pronouncement and there was no material impact on the Company's financial statements.

(vi) IAS 27 - Separate Financial Statements ("IAS 27") was effective for annual periods beginning on or after January 1, 2013, as a result of the issue of the new consolidation suite of standards, IAS 27 has been reissued, as the consolidation guidance will now be included in IFRS 10. IAS 27 will now only prescribe the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. At January 1, 2013, the Company adopted this pronouncement and there was no material impact on the Company's financial statements.

(vii) IAS 28 - Investments in Associates and Joint Ventures ("IAS 28") was issued by the IASB in May 2011 and supersedes IAS 28 - Investments in Associates and 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 defines significant influence as the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. IAS 28 also provides guidance on how the equity method of accounting is to be applied and also prescribes how investments in associates and joint ventures should be tested for impairment. At January 1, 2013, the Company adopted this pronouncement and there was no material impact on the Company's financial statements.

Recent accounting pronouncements

(i) 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.

The effective date of IFRS 9 was deferred to years beginning on or after January 1, 2018. Earlier application is permitted.

(ii) IAS 32 - Financial Instruments: Presentation ("IAS 32") was amended by the IASB in December 2011 to clarify certain aspects of the requirements on offsetting. The amendments focus on the criterion that an entity currently has a legally enforceable right to set off the recognized amounts and the criterion that an entity intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The amendments to IAS 32 are effective for annual periods beginning on or after January 1, 2014. Earlier adoption is permitted. The Company is currently assessing the impact of this pronouncement.

Financial Instruments

The Company's financial instruments consist of:

	As at December 31, 2013 ($)	As at December 31, 2012 ($)
Financial assets: *Financial assets at fair value through profit or loss ("FVTPL")*		
Cash and cash equivalents	1,373,821	2,563,695
Financial liabilities: *Other financial liabilities*		
Amounts payable and other liabilities	31,781	106,359

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.

(ii) Other price risk is risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

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, 2013, the Company has accounts payable and other liabilities of $31,781 (December 31, 2012 - $106,359) due within 12 months and has cash and cash equivalents of $1,373,821 (December 31, 2012 - $2,563,695) 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. See "Risk Factors".

Share Capital

As at the date of this MD&A, the Company had 55,022,411 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
1,000,000	October 18, 2015	$0.50
11,127,039		

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

Options	Expiry Date	Exercise Price
1,840,000	April 20, 2014	$0.56
1,840,000		

Additional Disclosure for Venture Issuers Without Significant Revenue

Office and general expenses

Detail	Year ended December 31, 2013 $	Year ended December 31, 2012 $
Salaries and benefits	119,592	507,495
Administration fees	18,665	9,027
Rent	10,767	7,167
Marketing	23,716	38,261
Printing & mailing shareholder materials	12,825	6,874
Travel	8,219	34,768
Other administrative and general (i)	13,478	(46,315)
Reporting issuer costs	22,337	32,275
Accounting fees	45,842	26,256
Insurance	12,824	13,401
Total	**288,265**	**629,209**

(i) During the year ended December 31, 2012, other administrative and general expenses were offset by a reversal of an over-accrual for a liability that was accrued at an estimated amount in 2011.

Exploration and evaluation expenditures

During the year ended December 31, 2013, the Company incurred and capitalized to mineral properties and exploration costs, $624,936 of exploration expenditures and $247,612 of acquisition and holding costs, for total capitalized expenditures of $872,548. The Company also recorded write-downs in the first and second quarters of 2013, represented by $87,573 of exploration expenditures and $67,308 of acquisition and holding costs at the Company's Merrill property, $343,956 of exploration expenditures and $42,200 of acquisition and holding costs at the Company's Mosher Bay property as well as $255,088 of exploration expenditures and $121,579 of acquisition and holding costs at the Company's West Limb property. The Company has decided not to pursue exploration on the Merrill, Mosher Bay and West Limb properties and has written-down all deferred expenditures expended on the properties.

Further details regarding expenditures capitalized to individual mineral properties during the years ended December 31, 2013 and 2012 are contained in a schedule on pages 30 and 31.

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.

Additional Information

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

Schedule of Exploration and evaluation expenditures

The total capitalized expenditures for the year ended December 31, 2013 were for the Company's following properties:

	Kenwest $	Canamerica $	Higbee $	Sherridon $	Gaffney Extension $	Harper Lake $	Mosher Bay $	West Limb/ Merrill $	Elora $	Total $
Balance, beginning of year	5,172,510	1,024,379	40,254	1,370,813	4,175,134	99,271	385,254	531,548	333,444	13,132,607
Acquisition costs										
Issuance of shares and warrants	-	-	-	-	126,500	-	-	-	40,000	166,500
Property tax/carrying cost	3,089	-	-	-	523	-	-	-	-	3,612
Option payments	-	-	-	-	17,500	-	-	-	60,000	77,500
	3,089	-	-	-	144,523	-	-	-	100,000	247,612
Deferred exploration expenditures										
Travel and consumables	423	132	-	179	8,861	4,836	-	-	32,624	47,055
Consultants	5,344	-	-	469	5,550	450	902	-	6,331	19,046
Insurance	932	432	-	-	2,133	1,370	-	-	4,701	9,568
Wages and benefits	33,324	11,485	-	810	58,824	25,372	-	-	140,797	270,612
Analysis	6,525	2,205	-	-	6,743	443	-	-	49,699	65,615
Field supplies	5,832	300	-	76	1,696	1,237	-	-	23,100	32,241
Field office	-	-	-	-	-	-	-	-	465	465
Stripping and trenching	-	-	-	-	1,030	-	-	-	-	1,030
Drilling	-	-	-	-	11,073	11,980	-	-	156,251	179,304
	52,380	14,554	-	1,534	95,910	45,688	902	-	413,968	624,936
Write-down of acquisition and deferred exploration costs	-	-	-	-	-	-	(386,156)	(531,548)	-	(917,704)
Net change for the year	55,469	14,554	-	1,534	240,433	45,688	(385,254)	(531,548)	513,968	(45,156)
Balance, end of year	**5,227,979**	**1,038,933**	**40,254**	**1,372,347**	**4,415,567**	**144,959**	**-**	**-**	**847,412**	**13,087,451**

Schedule of Exploration and evaluation expenditures

The total capitalized expenditures for the year ended December 31, 2012 were for the Company's following properties:

	Kenwest $	Canamerica $	Higbee $	Sherridon $	Gaffney Extension $	Harper Lake $	Mosher Bay $	West Limb/ Merrill $	Sunshine Lake $	Elora $	Total $
Balance, beginning of year	4,505,618	931,949	40,254	1,081,449	2,127,041	60,290	77,074	441,403	-	-	9,265,078
Acquisition costs											
Issuance of shares	-	38,000	-	12,500	91,750	-	5,700	28,600	13,500	102,500	292,550
Legal and TSX shares	-	-	-	208	1,295	-	-	-	2,295	4,656	8,454
Staking	-	-	-	-	7,600	-	-	4,275	-	-	11,875
Property tax/carrying cost	2,574	-	-	-	52	-	-	367	-	20,000	22,993
Option payments	-	20,000	-	50,000	27,500	-	15,000	50,000	14,000	30,000	206,500
	2,574	58,000	-	62,708	128,197	-	20,700	83,242	29,795	157,156	542,372
Deferred exploration expenditures											
Travel and consumables	16,047	338	-	4,166	119,606	324	8,880	-	-	17,890	167,251
Geophysical services	-	-	-	-	30,325	-	-	-	-	-	30,325
Consultants	28,216	7,763	-	9,878	67,825	2,200	26,000	3,572	5,400	59,250	210,104
Insurance	1,847	-	-	877	6,451	-	1,501	-	-	741	11,417
Wages and benefits	88,193	5,723	-	23,127	234,190	4,445	52,243	3,331	4,189	57,314	472,755
Analysis	31,670	474	-	14,721	89,812	-	15,879	-	-	24,170	176,726
Field supplies	38,690	-	-	1,301	90,355	-	3,612	-	-	16,458	150,416
Field office	3,256	-	-	-	9,028	-	-	-	-	465	12,749
Line cutting	-	13,794	-	1,100	26,271	25,087	-	-	-	-	66,252
Stripping and trenching	-	-	-	-	8,241	-	-	-	-	-	8,241
Drilling	456,399	6,338	-	171,486	1,237,792	6,925	179,365	-	-	-	2,058,305
	664,318	34,430	-	226,656	1,919,896	38,981	287,480	6,903	9,589	176,288	3,364,541
Write-down of acquisition and deferred exploration costs	-	-	-	-	-	-	-	-	(39,384)	-	(39,384)
Net change for the year	666,892	92,430	-	289,364	2,048,093	38,981	308,180	90,145	-	333,444	3,867,529
Balance, end of year	**5,172,510**	**1,024,379**	**40,254**	**1,370,813**	**4,175,134**	**99,271**	**385,254**	**531,548**	**-**	**333,444**	**13,132,607**