EMPIRE ROCK MINERALS INC.
(FORMERLY ULTRA RESOURCES CORP.)

Management's Discussion and Analysis of Financial
Condition and Results of Operations
For the year ended December 31, 2015

April 29, 2016

This management's discussion and analysis ("MD&A") focuses on events and activities that affected Empire Rock Minerals Inc. ("Empire" or the "Company") during the year ended December 31, 2015 and to the date of this report. The MD&A supplements, but does not form part of, the audited consolidated financial statements of the Company and the notes thereto for the year ended December 31, 2015. Consequently, the following discussion and analysis should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2015 and the notes thereto, which are prepared in accordance with International Financial Reporting Standards. All amounts presented in this MD&A are in Canadian dollars unless otherwise indicated. Additional information related to Empire is available for view on SEDAR at www.sedar.com.

FORWARD LOOKING STATEMENTS

Except for historical information contained in this discussion and analysis, disclosure statements contained herein are forward-looking. Forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from those in such forward-looking statements. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date the statements are made and Empire undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change. Investors are cautioned against attributing undue certainty to forward-looking statements.

OVERVIEW

Empire Rock Minerals Inc. is a mineral resource exploration company. Empire's shares are listed and called for trading on the TSX Venture Exchange under the trading symbol "EPR". Empire's principal business is the acquisition, exploration and development of mineral properties with a primary focus on exploration properties demonstrating strong potential for hosting large scale ore bodies.

In 2005, the Company was granted the right to carry out exploration activities in an area referred to as the Kalnica-Selec property located in Western Slovakia. The Company established a subsidiary, Beckov Minerals, S.R.O. ("Beckov") in Western Slovakia on May 22, 2007 to hold the claims. In 2009, the Company extended the exploration rights on the Kalnica-Selec property area for four years until July 19, 2013 and in 2011, the Company obtained an extension of the exploration rights on the Horka and Vahom property area for an additional four years until June 26, 2015.

In 2009, the Company also entered into an option agreement with Bluenose Gold Corp. (formerly International Alliance Resources Inc.) to acquire an 80% interest in two gold properties located in the Mayo mining division, Yukon, Canada. The properties, known as the Anne Mark gold project and the Plata North gold project, are located within the Selwyn basin. The agreement was accepted for filing by the TSX Venture Exchange on November 11, 2009.

In 2010, the Company entered into an option agreement with Leeta Gold Corp. (formerly Pierre Enterprises Ltd.) ("Leeta") for Leeta to acquire a 70% interest in the Beardmore Gold Property (part of Gwyn Lake Gold property) located in the Thunder Bay Mining Division, Northwestern Ontario, Canada.

In 2011, the Company granted an option agreement to Goldbank Mining Corporation ("Goldbank") to earn up to 90% of the Company's interest in the Buck Lake Project located in the Thunder Bay Mining Division, Ontario. On July 24, 2014, the Company entered into a purchase agreement with Goldbank for the Company to acquire Goldbank's 51% interest in the Buck Lake Property. Pursuant to the agreement, the Company issued 2,200,000 common shares to Goldbank and issued a promissory note in the amount of $250,000 to Goldbank. The promissory note is payable in full on or before June 1, 2016.

EXPLORATION AND EVALUATION EXPENDITURES

The following schedule presents exploration expenditures incurred by Empire during the years ended December 31, 2015 and 2014:

	Anne Mark/ Plata North $	Buck Lake $	Gwyn Lake $	Horka $	Graphite West $	NAP and Jordain $	Total $
Acquisition costs							
Balance, December 31, 2014	286,305	442,235	153,350	50,836	–	–	932,726
Additions	–	–	–	–	47,000	28,050	75,050
Impairment	(286,305)	–	–	(50,836)	–	–	(337,141)
Balance, December 31, 2015	–	442,235	153,350	–	47,000	28,050	670,635
Exploration costs							
Balance, December 31, 2014	44,599	952,345	821,974	313,350	–	–	2,132,268
Assays	–	4,797	1,520	–	–	–	6,317
Claims maintenance	–	–	1,600	–	–	–	1,600
Equipment rental	–	–	–	–	–	–	–
Geological consulting	–	128,000	47,122	–	–	–	175,122
Travel and accommodations	–	–	6,778	–	–	–	6,778
Impairment	(44,599)	–	–	(313,350)	–	–	(357,949)
Balance, December 31, 2015	–	1,085,142	878,994	–	–	–	1,964,136
Net carrying value, December 31, 2015	–	1,527,377	1,032,344	–	47,000	28,050	2,634,771

	Anne Mark/ Plata North $	Buck Lake $	Gwyn Lake $	Horka $	Total $
Acquisition costs					
Balance, December 31, 2013	258,115	148,235	153,350	50,836	610,536
Additions	28,190	294,000	–	–	322,190
Balance, December 31, 2014	286,305	442,235	153,350	50,836	932,726
Exploration costs					
Balance, December 31, 2013	44,599	874,287	787,619	310,850	2,017,355
Assays	–	5,280	1,520	–	6,800
Claims maintenance	–	–	400	–	400
Equipment rental	–	2,950	5,115	–	8,065
Geological consulting	–	65,929	26,186	2,500	94,615
Travel and accommodations	–	3,899	1,134	–	5,033
Balance, December 31, 2014	44,599	952,345	821,974	313,350	2,132,268
Net carrying value, December 31, 2014	330,904	1,394,580	975,324	364,186	3,064,994

Anne Mark and Plata North Claims - Yukon Territory, Canada

The Company has been granted an option by Bluenose Gold Corp. ("Bluenose") to acquire an 80% interest in the Anne Mark and Plata North claims located in the Mayo Mining Division of Yukon Territory in consideration for cash payments totalling $500,000, and the issuance of 1,000,000 common shares of the Company over five years as follows:

Shares to be issued:

- 333,333 shares to be issued upon TSX approval of the option agreement (issued November 18, 2009);
- 333,333 shares to be issued on or before November 1, 2010 (issued October 26, 2010); and
- 333,334 shares to be issued on or before November 1, 2014 (extended).

Cash to be paid:

- $25,000 upon TSX approval of the option agreement (paid November 13, 2009);
- $25,000 on or before February 28, 2010 (paid January 29, 2010);
- $50,000 on or before February 28, 2011 (paid February 28, 2011);
- $100,000 on or before February 28, 2012 (extended);
- $100,000 on or before February 28, 2013 (extended); and
- $200,000 on or before February 28, 2014 (extended).

The properties are subject to a 2% net smelter royalty. The Company will be responsible for incurring $1,200,000 in exploration expenditures on the properties prior to Bluenose contributing exploration financing to maintain its interest.

On November 4, 2015, the Company terminated this option agreement and recognized an impairment of $330,904.

Buck Lake Project Claims – Ontario, Canada

The Company had a 100% interest, subject to a 2.5% net smelter royalty, in the Buck Lake Project located in the Thunder Bay Mining Division, Ontario. The Company entered into a property option agreement (the "Agreement") with Goldbank Mining Corporation ("Goldbank"), a public company having directors in common, for Goldbank to acquire up to 90% of the Company's interest. Goldbank earned a 51% interest by issuing 1,000,000 common shares to the Company (issued in 2011).

On July 24, 2014, the Company entered into a purchase agreement with Goldbank for the Company to acquire Goldbank's 51% interest in the Buck Lake Property. Pursuant to the agreement, the Company issued 733,333 common shares to Goldbank and issued a promissory note in the amount of $250,000 to Goldbank. The promissory note is payable in full on or before June 1, 2016.

The property is subject to a 2.5% net smelter royalty in favour of the original vendors of the Property, up to half of which may be bought back at any time by paying $500,000.

Gwyn Lake Gold Property – Ontario, Canada

The Company holds a 100% interest in the Gwyn Lake claims located in the Thunder Bay Mining District of Ontario. The claims are subject to a 1% net smelter return royalty which the Company may purchase at any time for $500,000.

The Company also holds a 100% interest in certain additional mineral claims contiguous to the Gwyn Lake Claims. These claims are also subject to a 1% net smelter royalty return.

On January 12, 2010, the Company entered into an option agreement to grant Leeta Gold Corp. (formerly Pierre Enterprises Ltd.) ("Leeta"), a company having a director in common, the option to acquire a 70%

interest in the Beardmore Gold Property, which comprises a portion of Gwyn Lake claims. As consideration, Leeta is to pay $180,000 over four years as follows:

	Cash	Paid
On or before June 1, 2010	$ 10,000	Settled with 74,074 shares
On or before June 28, 2011	20,000	Settled with 37,037 shares
On or before June 28, 2012	50,000	$25,000 paid in 2013
On or before December 31, 2013	100,000	Extended
	$ 180,000	

A $10,000 payment due on June 1, 2010 and a $20,000 payment due on June 28, 2011 were not settled in cash. On February 16, 2012, the Company accepted 111,111 Leeta Gold shares as settlement of these payments totalling $30,000. On September 30, 2013, the Company received $25,000 cash as partial payment.

Under the agreement, Leeta must also incur exploration and development expenditures on the property of $500,000 on or before September 30, 2013 (extended).

Kalnica-Selec Claims (Horka) – Slovakia

In an agreement dated June 28, 2005 with the Slovakian government, the Company was granted the right to carry out exploration activities in an area referred to as the Kalnica-Selec property located in Western Slovakia. The Company established a subsidiary, Beckov Minerals, s.r.o. in Western Slovakia on May 22, 2007 to hold the claims. The claims were valid for a period of four years. The Company paid four annual fees of €2,889 every September 22 of each year for a total of €11,556 to maintain its exploration rights.

During the year ended December 31, 2007, the Company also obtained additional licences on property areas to the south and southwest of the Kalnica-Selec area, called Horka and Vahom from the Ministry of Environment of the Slovak Republic. Annual fees of €1,295 were paid on September 4 of each year for a total of €5,180 to maintain annual exploration rights:

In an agreement dated July 15, 2009 with the Slovakian government, the Company obtained an extension of the exploration rights on the Kalnica-Selec property area for an additional four years until July 19, 2013. The Company paid four annual fees of €4,382 every October 15 of each year for a total of €17,528 to maintain its exploration rights.

In an agreement dated June 22, 2011 with the Slovakian government, the Company obtained an extension of the exploration rights on the Horka and Vahom property area for an additional four years until June 26, 2015. The Company must pay €1,992 on each September 22 anniversary to 2014 to maintain its exploration rights.

During the year ended December 31, 2013, the Company was refused an exploration permit to renew the Kanica-Selec property claims, as a result of government legislation allowing local communities the right to refuse exploration work in their region. As a result, the Company recognized an impairment of $361,686.

During the year ended December 31, 2015, the Company was refused the remainder of its exploration permits to renew the Horka and Vahom property claims as a result of government legislation allowing local communities the right to refuse exploration work in their region. As a result, the Company recognized an impairment of $364,186.

Graphite West Claims – Ontario, Canada

On November 4, 2015, the Company entered into an option agreement to acquire an 80% interest in 16 mineral claim units referred to as the Graphite West Project located in the Porcupine Mining Division, Ontario, Canada.

Under the terms of the option agreement, the Company can acquire an 80% interest in the Graphite West Project, subject to a 1% net smelter returns royalty, by paying $20,000 (paid) and issuing a total of 1,800,000 common shares to Bluenose over three years as follows:

- 600,000 shares to be issued within five days of TSX Venture Exchange acceptance of the option agreement (issued December 15, 2015);
- 300,000 shares to be issued on or before February 15, 2016 (issued February 12, 2016); and
- 900,000 shares to be issued on or before December 31, 2017.

The Company will be responsible for incurring exploration and related business development expenditures totalling $400,000 over four years.

NAP and Jordain Claims – Ontario, Canada

On October 14, 2015, the Company entered into an option agreement to acquire a 100% interest in two groups of mineral claims totaling 77 units known as the NAP Claims and Jordain Claims. The NAP Claims and Jordain Claims are adjacent to, or in the vicinity of, the Company's Buck Lake Platinum, Palladium and Nickel property where the Company is exploring for platinum, palladium and nickel mineralization in a mafic/ultramafic intrusive body.

Under the terms of the option agreement, the Company can acquire a 100% interest in the NAP Claims and Jordain Claims, subject to a 1% net smelter royalty, by making payments totalling $74,000 and issuing a total of 80,000 common shares as follows:

Cash to be paid:

- $24,000 upon TSX Venture Exchange acceptance of the option agreement (paid December 18, 2015);
- $30,000 on or before October 15, 2016; and
- $20,000 on or before October 15, 2017.

Shares to be issued:

- 45,000 shares within ten days of TSX Venture Exchange acceptance of the option agreement (issued November 13, 2015); and
- 35,000 shares to be issued on or before October 15, 2016.

SELECTED ANNUAL INFORMATION

The following table presents selected consolidated financial information for the years ended December 31, 2015, 2014 and 2013.

			Year ended December 31, 2015	Year ended December 31, 2014	Year ended December 31, 2013
			$	$	$
Revenue			–	–	–
Net loss			(1,119,884)	(359,085)	(728,488)
Basic and diluted loss per share			(0.12)	(0.05)	(0.12)
Total assets			2,702,342	3,113,925	2,675,292

RESULTS OF OPERATIONS

Year ended December 31, 2015:

Empire incurred a net loss of $1,119,884 for the year ended December 31, 2015, as compared to a net loss of $359,085 for the comparable period in 2014. The increase in net loss of $760,799 was mainly due to an increase in the impairment of exploration and evaluation assets by $695,090; an increase in interest and bank charges by $87,564; an increase in office and miscellaneous by $58,473; an increase in salaries by $10,729; an increase in transfer agent and filing fees by $4,652; and an increase in bad debts by $2,000 offset by a decrease in accounts payables by $43,782; a decrease in unrealized loss on marketable securities by $28,137; a decrease in consulting fees by $17,158; a decrease in travel and promotion by $4,277; a decrease in professional fees by $3,000; and a decrease in property investigation costs of $1,355.

Year ended December 31, 2014:

Empire incurred a net loss of $359,085 for the year ended December 31, 2014, as compared to a net loss of $728,488 for the comparable period in 2013. The decrease in net loss of $369,403 was mainly due to the decrease in impairment of exploration and evaluation assets by $361,686 due to no expiration of the Slovakian claims this year; a decrease in rent by $22,615 due to lower billings; a decrease in management fees by $18,864 due to a decrease in management billings; a decrease in unrealized loss on marketable securities by $14,002 due to the change in price of the securities; and a decrease in travel and promotions by $13,439 due to lower travelling activities offset by an increase in professional fees by $26,179 due to increased accounting fees; an increase in bank charges and interest by $25,128 due to the interest charged on prior outstanding balances and unpaid interest; an increase in office services and expense by $9,549 due to higher operational activities; an increase in transfer agent and filing fees of $1,834 due to increased billings; and an increase in property investigation costs by $1,355.

SUMMARY OF QUARTERLY RESULTS

The following table presents unaudited selected financial information for the last eight quarters:

	2015 Q4 $	2015 Q3 $	2015 Q2 $	2015 Q1 $	2014 Q4 $	2014 Q3 $	2014 Q2 $	2014 Q1 $
Revenue	-	-	-	-	-	-	-	-
Net loss	(133,122)	(94,076)	(820,788)	(71,898)	(142,645)	(83,636)	(84,949)	(47,855)
Basic/diluted loss per share	(0.01)	(0.01)	(0.10)	(0.01)	(0.05)	(0.01)	(0.01)	(0.01)

The Company has no seasonality effect and its general trend is quite stable. The losses over the eight quarters are primarily due to consulting fees, professional fees and salaries. recognized. The second quarter net loss of 2015 is larger than usual due to impairment of exploration and evaluation assets of $711,517 recognized.

FINANCIAL INSTRUMENTS AND RISKS

(a) Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's statement of financial position as at December 31, 2015 as follows:

	Fair Value Measurements Using			
	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Balance, December 31, 2015 $
Cash	860	–	–	860
Marketable securities	43,138	–	–	43,138
Total assets measured at fair value	43,998	–	–	43,998

The fair values of other financial instruments, which include amounts receivable, accounts payable and accrued liabilities, and loans payable, approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and amounts receivable. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. Amounts receivable consist of GST refunds due from the Government of Canada. The carrying amount of financial assets represents the maximum credit exposure.

(c) Foreign Exchange Rate Risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. The Company's functional and reporting currency is the Canadian dollar. The Company may be exposed to the financial risk related to the fluctuation of foreign exchange rates. As at December 31, 2015, the Company is not exposed to any significant foreign exchange rate risk.

(d) Interest Rate Risk

The Company is not exposed to any significant interest rate risk.

(e) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

(f) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2015, Empire held cash on hand of $860 (2014: $3,539), current assets totalled $67,571 (2014: $48,931) and current liabilities totalled $1,729,895 (2014: $1,077,644) which resulted in a working capital deficiency of $1,662,324 (2014: $1,028,713).

In the short term, the Company will continue to rely on advances/ services from shareholders/ creditors to fund payment of immediate operating costs, such as sustaining fees, rent, accounting and audit fees.

In the long term, the Company will undertake a series of ongoing private placement equity offerings to regularly fund ongoing operations and its planned program of property exploration and development, acquisitions of property interests, and planned working capital requirements.

Management anticipates the raising of additional funding through sale of its securities to enable the Company to fund ongoing operations. The accompanying financial statements have been prepared on the basis of IFRS applicable to a going concern. The appropriateness of using the going concern basis is dependent upon, among other things, future profitable operations, and the ability to raise additional capital. Specifically, the recovery of the Company's investment in resource properties and related deferred costs is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain necessary financing to develop the properties and establish future profitable production from the properties or from the proceeds of their disposition. If the Company were unable to continue as a going concern it is likely that assets would be realized at amounts significantly lower than the carrying value and the Company may not be able to satisfy all its obligations.

FOURTH QUARTER

Empire incurred a net loss of $133,122 for the three months ended December 31, 2015, as compared to a net loss of $142,645 for the comparable period in 2014. The decrease in net loss of $9,523 was mainly due to the write-off of accounts payable by $43,782; a decrease in professional fees by $18,900; a decrease in unrealized loss on marketable securities by $17,569; a decrease in impairment of exploration and evaluation assets by $16,427; a decrease in travel and promotion by $4,277 with corresponding increase in office and miscellaneous by $47,602; an increase in interest and bank charges by $25,412; an increase in salaries by $10,729; an increase in transfer agent and filing fees by $5,587; and an increase in bad debts by $2,000.

TRANSACTIONS WITH RELATED PARTIES

(a) As at December 31, 2015, the amount of $9,010 (2014 - $9,010) was owed from Leeta, a public company with two common directors. The amount due is non-interest bearing, unsecured, and due on demand.

(b) As at December 31, 2015, the amount of $3,450 (2014 - $nil) was owed to a company with common directors, which was recorded in accounts payable and accrued liabilities. The amount is non-interest bearing, unsecured, and due on demand.

(c) As at December 31, 2015, the amount of $1,035,888 (2014 - $714,844) was owed to a significant shareholder of the Company and companies controlled by the significant shareholder, which was recorded in accounts payable and accrued liabilities. This significant shareholder ceased to be a significant shareholder of the Company on November 13, 2015. Of this amount, $911,419 (2014 - $614,768) bears interest at 2% per month, is unsecured, and due on demand. The remainder of the balance is non-interest bearing, unsecured, and due on demand.

(d) During the year ended December 31, 2015, the Company incurred the following expenditures to a significant shareholder of the Company and companies controlled by the significant shareholder of the Company, who ceased to be a significant shareholder of the Company on November 13, 2015:

- Interest expense of $171,825 (2014 - $88,358);
- Management fees of $30,000 (2014 - $30,000);
- Corporate administration costs of $56,600 (2014 - $7,226) included in office and miscellaneous;
- Professional fees of $79,550 (2014 - $82,050);
- Rent of $33,600 (2014 - $33,600);
- Assays of $1,520 (2014 - $5,446);
- Equipment rental of $nil (2014 - $8,065);
- Geological consulting of $175,122 (2014 - $88,965); and
- Travel and accommodations of $6,778 (2014 - $5,033).

PROPOSED TRANSACTIONS

The Company does not have any proposed transactions.

CAPITAL MANAGEMENT

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued share capital and share-based payment reserve.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended December 31, 2014.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

Accounting Standards Issued But Not Yet Effective

The following standards and interpretations have been issued but are not yet effective:

New standard IFRS 9, *"Financial Instruments"*

Amended standard IAS 1, "*Presentation of Financial Statements*"

The Company has not early adopted these revised standards and is currently assessing the impact that these standards will have on the consolidated financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

ADDITIONAL DISCLOSURES FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

An analysis of material components of the Company's general and administrative expenses is disclosed in the audited consolidated financial statements for the year ended December 31, 2015 to which this MD&A relates.

DISCLOSURE OF OUTSTANDING SHARE DATA

As at the date of this report, outstanding share data for the Company is follows:

Common shares:	Authorized capital:	unlimited common shares without par value
	Issued capital:	13,687,904 common shares
Stock Options:	Nil	
Warrants:	6,188,890	

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In accordance with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings), the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issuer Basic Certification includes a 'Note to Reader' stating that the CEO and CFO do not make any representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

RISKS AND UNCERTAINTIES

Empire competes with other junior mineral exploration companies, some of which have greater financial resources and technical facilities. The business of mineral exploration and extraction involves a high degree of risks and few properties that are explored are ultimately developed into production. In addition to specific risks disclosed throughout this discussion, other risks facing Empire include competition, reliance on third parties, environmental and insurance risks, statutory and regulatory requirements, metal prices and foreign currency fluctuations, share price volatility and title risks.

Empire plans to continue to raise additional capital through the exercise of stock options and warrants, and issuing new share capital through equity financing. Empire's ability to raise additional capital will depend upon the progress of new property acquisitions, subsequent development of resource properties and the strength of resource equity markets, which are uncertain. There can be no assurance that additional capital will be available. Empire is in the process of developing plans to raise capital.

RISK FACTORS

In these turbulent financial markets, development- stage mineral exploration companies, such as ours, face a variety of risk and, while unable to eliminate all of them, the Company aims at managing and reducing such risks as much as possible. Few exploration projects successfully achieve development due to factors that cannot be predicted or anticipated, and even on such factor may result in the economic viability of a project being detrimentally impacted such that it is neither feasible nor practical to proceed. The Company closely monitors its activities and those factors that could impact them, and employs experienced consulting to assist in its risk management and to make timely adequate decisions.

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims, as well as the potential for problems arising from the frequently ambiguous conveyance history characteristic of many mineral properties. The price of the commodities being explored is also a significant risk factor, as a substantial decline in their price could result in a decision to abandon a specific project. Environmental laws and regulation could also impact the viability of a project. The Company has ensured that it has complied with these regulations, but there can be changes in legislation outside the Company's control that could also add a risk factor to a project.

CAUTION REGARDING FORWARD LOOKING STATEMENTS

Statements contained in this MD&A that are not historical facts are forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to the future price of metals; the estimation of mineral reserves and resources, the realization of mineral reserve estimates; the timing and amount of estimated future production, costs of production, and capital expenditures; costs and timing of the development of new deposits; success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and the timing and possible outcome of pending litigation. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others, risks related to the integration of acquisitions; risks related to operations; risks related to joint venture operations; actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of metals; possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, as well as those factors discussed in the sections entitled "Risks and Uncertainties" in this MD&A.

Although Empire has attempted to identify important factors that could affect the Company and may cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this MD&A speak only as of the date hereof. Empire does not undertake any obligation to release publicly any revisions to these forward looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events.

Forward-looking statements and other information contained herein concerning the mining industry and general expectations concerning the mining industry are based on estimates prepared by Empire using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which Empire believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While Empire is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors.