OCEANUS

RESOURCES CORPORATION

Interim Report
June 30, 2013

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Background

This Management Discussion and Analysis (MD&A) of Oceanus Resources Corporation (Oceanus or the Corporation) is dated August 16, 2013 and provides an analysis of the financial operating results for the three month periods ended June 30, 2013 and June 30, 2012. This MD&A should be read in conjunction with the audited consolidated financial statements and accompanying notes for the years ended March 31, 2013 and March 31, 2012 which have been prepared in accordance with International Financial Reporting Standards ("IFRS") for financial statements. All amounts are in Canadian dollars unless otherwise specified. The financial statements and additional information, including news releases, the Filing Statement and technical report referenced herein, are available on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com under the Corporation's name.

The common shares of Oceanus are traded on the TSX Venture Exchange under the symbol **OCN**. Additional information can be found on the Corporation's website at **www.oceanusresources.ca**.

Forward-Looking Information

Certain statements in this MD&A are forward-looking statements or information (collectively "forward-looking statements"). The Corporation is hereby providing cautionary statements identifying important factors that could cause the actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "is expected to", "anticipates", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. In making these forward-looking statements, the Corporation has assumed that the risks listed below will not adversely impact the business of the Corporation.

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond the control of the Corporation, that could influence actual results include, but are not limited to: limited operating history; exploration, development and operating risks; regulatory risks; substantial capital requirements and liquidity; financing risks and dilution to shareholders; competition; reliance on management and dependence on key personnel; fluctuating mineral prices and marketability of minerals; title to properties; local resident concerns; no mineral reserves or mineral resources; environmental risks; governmental regulations and processing licenses and permits; management inexperience in developing mines; conflicts of interest of management; uninsurable risks; exposure to potential litigation; dividends; and other factors beyond the control of the Corporation.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Corporation undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the business of the Corporation or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. See "Risks and Uncertainties".

Company Overview

Oceanus was incorporated on June 14, 2010 under the Canada Business Corporations Act (CBCA). The registered office of the Corporation is located at Suite 2108, Purdy's Tower Two, 1969 Upper Water Street, Halifax, Nova Scotia B3J 3R7. The Corporation completed a $500,000 Initial Public Offering ("IPO") in December 2010 with

5,000,000 shares being issued at a price of $0.10 per share. The common shares of Oceanus commenced trading on the TSX Venture Exchange ("Exchange") on December 17, 2010.

Oceanus was established as a "Capital Pool Company" ("CPC") and accordingly the principal focus of the Corporation during 2010 and 2011 was the completion of a "Qualifying Transaction". Qualifying Transaction means a transaction where a CPC acquires significant assets, other than cash, by way of purchase, amalgamation, merger or arrangement with another Company or by other means. Any Qualifying Transaction must be approved by the Exchange, and in the case of a Non-Arm's Length Qualifying Transaction, must also receive Majority of the Minority Approval, in accordance with the CPC Policy.

Oceanus entered into a definitive asset purchase agreement dated July 15, 2011 for the arm's length acquisition of the Lac Mégantic Gold- Base Metal Property (the "Transaction"). The Lac Mégantic Property is located about 70 kilometers southeast of the mining town of Thetford Mines and 210 kilometers east of Montreal in the Eastern Townships of the Province of Quebec. At time of acquisition the Property comprised 622 claims covering approximately 36,651 ha or 366.5 km^2.

The Transaction was completed on October 24, 2011 with Oceanus acquiring the Lac Mégantic Property in consideration for the issuance of 1,000,000 Oceanus common shares to the vendors and payment of $162,500. The vendors retained a net smelter royalty ("NSR") of 2%. Oceanus may at any time purchase one-half of the NSR for $1,000,000. Oceanus also paid a finder's fee of 125,000 of its common shares in connection with the acquisition.

The acquisition of the Lac Mégantic Property was approved by the TSX Venture Exchange as being the Corporation's Qualifying Transaction. Concurrently, the Corporation completed a private placement of flow-through common shares priced at $0.40 for gross proceeds of $500,000. The flow-through common shares entitle the purchasers to certain benefits under the Income Tax Act.

Trading of the common shares of Oceanus on the Exchange was halted from March 29, 2011, the date on which the Corporation press released its Qualifying Transaction. Trading of the common shares of Oceanus resumed on the TSX Venture Exchange on November 1, 2011 under the symbol "OCN".

On April 25, 2012 the Corporation completed a non-brokered private placement financing issuing a total of one million common shares at a price of $0.25 per share for gross proceeds of $250,000.

On October 24, 2012 the Corporation entered into a binding letter of intent to acquire all of the issued and outstanding securities of Lunar Gold Holdings Incorporated ("LGH"), a Canadian company, in consideration of the issuance of 11 million common shares of Oceanus ("LGH Acquisition"). LGH and LGH's wholly owned Canadian subsidiary, LGHI Holdings Incorporated ("LGHI"), together own 100% of Minera Pueblo de Oro S.A. de C.V., a Mexican company, ("MPO"). MPO is a party to three option agreements under which it can earn a 100-per-cent interest in twelve (12) Mexican mining concession titles, collectively known as the La Lajita Property, covering approximately 3,200 hectares in Durango, Mexico. Pursuant to Exchange Policy 5.3 trading of Oceanus's stock was halted on October 24, 2012 and remained halted until completion of the transaction.

On March 13, 2013 Oceanus completed the LGH Acquisition together with a private placement financing pursuant to which the Corporation issued 8,846,141 common shares at a price of $0.26 per share for gross proceeds of $2.3 million.

La Lajita Property, Mexico

The La Lajita Property comprises 12 mining concessions located in the south-west corner of Durango State, Mexico, along the western flanks of the Sierra Madre Occidental, in one of the largest volcanic belts in the world. This area is recognized as an extremely prospective mineral belt for gold and silver deposits. Furthermore, this area is a virgin district having never been discovered or worked by the Spanish and there are no historic mining records. There are numerous pits, adits and small shafts that have been developed by local gambusinos during the 1900's, and the locals continue to mine in the area to this day.

The property is underlain by volcanic sequences and intrusive rocks disrupted by faulting. Gold and silver mineralization is found in a number of locations along the northwest trending La Lajita and La Lajita East structures over a strike length of 2 km. Small scale mining by pick and shovel is the oldest known work on the property and dates back approximately 50 years. Gold is hand panned after pulverization of the material mined from five areas on the property. The most significant mining took place at Mina la Guadalupe where the underground workings have followed the mineralization along strike for a distance of 150 metres.

During 2003 and 2004, certain of these mining concessions were the focus of an exploration program by International Northair Mines Ltd. ("Northair"). Geologic mapping, rock sampling and other field investigations by Northair led to the discovery of several significant gold and silver mineralized zones, and there remains potential for additional discoveries both parallel to and along strike. Mineralization generally occurs as veins, stockwork and breccia zones along and adjacent to fault zones. The presence of relatively minor amounts of sulphide minerals along with hematite (locally as specularite) within these alteration zones indicates association with a low-sulfidation type epithermal system. Visible gold is present within siliceous quartz and hematite breccia hosted by maroon colored andesitic pyroclastic host rocks. Drilling completed by Northair indicates that gold and silver mineralized zones extend at least 100 meters from surface with true widths up to 12 meters. Wider zones of high grade gold and silver mineralization may also occur in areas influenced by structural intersections.

The most significant mineralization found on the property consists of five zones hosted by the La Lajita fault. From north to south these are the La Esperanza, El Tesoro, Santo Nino, Dos Hermanos and La Lajita Zones. Three other zones are located along a secondary fault, La Lajita East, that parallels the La Lajita fault, and are known as the La Guadalupe, Los Ratones and the Cerro de Sol Zones. The initial 2013 exploration program consisted of continued geological mapping, prospecting and sampling of these zones and their immediate extensions along strike. Additionally, in April 2013 Oceanus contracted a helicopter-borne magnetics and radiometric survey to be flown over the property to assist with the geological interpretation of the intrusive rocks and structures.

Results to date from the initial sampling program are detailed in the Oceanus news releases dated May 8, May 29 and June 12, 2013. Highlighted assay results include the following;

La Guadalupe Zone

- 13.7 g/t gold and 71.5 g/t silver over a length of 8 meters from underground channel SPML-033
- 11.0 g/t gold and 65.1 g/t silver over a length of 13.5 meters from underground channel SPML-023

Dos Hermanos Zone

- 9.55 g/t gold and 108.5 g/t silver over a length of 15 meters from surface channel SPML-001
- 10.3 g/t gold and 87.6 g/t silver over a length of 10 meters from underground channel SPML-040

Santo Nino Zone

- 10.64 g/t gold and 41.0 g/t silver over a length of 10 meters from underground channel SPML-015
- 3.46 g/t gold and 42.3 g/t silver over a length of 16 meters from surface channel SPML-016

In light of these encouraging results, MPO contracted SPM Perforacion of Hermosillo, Mexico to carry out a 1,000 meter diamond drilling program. The program commenced in June with the objective being to verify the results obtained by Northair in their reverse circulation drill holes at the Guadalupe, Dos Hermanos and Santo Nino zones.

MPO is party to three separate option agreements covering the twelve mining concessions. The terms of the three option agreements are summarized below.

Ten of the mining concessions are subject to an option agreement dated October 4, 2012 that provides for aggregate cash option payments aggregating US$2,000,000 as follows:

- On signing US$100,000
- On or before the 12 month anniversary US$100,000
- On or before the 24 month anniversary US$200,000
- On or before the 36 month anniversary US$300,000
- On or before the 48 month anniversary US$300,000
- On or before the 60 month anniversary US$500,000
- On or before the 72 month anniversary US$500,000

The option agreement also provides for minimum optional exploration expenditures of US$150,000 in each of the first four years of the agreement. To the extent that MPO incurs exploration expenditures greater than US$150,000 in a given year, the excess amount may be carried forward and applied against the required expenditure amount of the following year.

In the event MPO establishes mineral production on any of the ten concessions it is obligated to pay the Optionors a 2% net smelter return if gold is valued at or less than $1,000 per ounce or a 2.5% net smelter return if gold is valued at greater than $1,000 per ounce at the time of production. MPO has the option to purchase 50% of the net smelter return for a cash payment of US$1,500,000.

One of the mining concessions is subject to an option agreement dated October 4, 2012, as amended May 9, 2013, that provides for aggregate cash option payments of US$150,000 comprised of three US$50,000 payments with the final payment due on or before December 31, 2013. The term of the option agreement is 8 years.

In the event MPO establishes mineral production on this mining concession it is obligated to pay the Optionors a 2% net smelter return if gold is valued at or less than $1,000 per ounce or a 2.5% net smelter return if gold is valued at greater than $1,000 per ounce at the time of production. MPO has the option to purchase 50% of the net smelter return for a cash payment of US$200,000.

One of the mining concessions is subject to an option agreement dated October 15, 2012 that is for a term of 10 years and provides for monthly cash option payments of Mexican Pesos 15,000. In the event MPO establishes mineral production on this mining concession, the monthly cash option payment increases to Mexican Pesos 20,000.

Lac Mégantic Property, Canada

During the year ended March 31, 2012 the Corporation carried out an initial exploration program consisting of sampling and assaying of approximately 1,100 surface rock samples taken from across the Property. Exploration expenditures for the period aggregated $265,922. Acquisition costs including non-cash expenditures associated with commitments settled with the issuance of common shares aggregated $581,516.

During April 2012, the Corporation reduced the size of the Lac Mégantic claim holdings from 622 claims to 268 claims. Management recorded a write-down of $190,000 for the year ended March 31, 2012 related to the claims not renewed. A further 62 claims outside of the area of interest were allowed to lapse during the balance of calendar 2012.

During the year ended March 31, 2013 the Corporation expended $258,763 on exploration expenditures and renewal fees. The exploration expenditures were focused on further delineating the three known bedrock gold showings; the Marston, Marston-Piopolus and Marsboro showings. This work included line cutting, ground geophysics, soil sampling and trenching with the objective of identifying targets for follow-up diamond drilling. Continued prospecting along the Clinton volcano-sedimentary belt for base metals including copper, lead and zinc was also completed. The Clinton Belt is located on the southern boundary of the Lac Megantic claim block along the border with Maine, U.S.A. The Clinton Belt is host to a number of massive sulphide deposits and is receiving a renewed exploration focus by the junior explorers including Fancamp Exploration (TSXV:FNC).

Summary of Quarterly Results

The following table table contains selected financial information for the Corporation for the past eight quarterly periods.

	Revenue	Net loss and comprehensive loss	Total assets	Working capital	Shareholder equity	Loss per Share
September 30, 2011	Nil	$132,586	$ 556,682	$ 472,154	$ 472,154	$0.01
December 31, 2011	NIl	$ 64,839	$1,301,408	$ 370,012	$1,169,815	$0.01
March 31, 2012	Nil	$355,813	$ 953,815	$ 217,564	$ 834,002	$0.04
June 30, 2012	Nil	$153,636	$1,092,686	$ 357,553	$1,006,315	$0.02
September 30, 2012	Nil	$109,083	$1,030,706	$ 22,498	$ 897,232	$0.01
December 31, 2012	Nil	$177,404	$ 972,331	($ 157,124)	$ 759,077	$0.02
March 31, 2013	Nil	$159,759	$5,827,392	$1,738,784	$5,578,800	$0.01
June 30, 2013	Nil	$348,430	$5,713,007	$1,037,524	$5,542,406	$0.01

Results of Operations – Quarter Ended June 30, 2013

For the three month period ended June 30, 2013 the Corporation incurred a net loss of $348,430 as compared to a net loss of $153,636 for the three month period ended June 30, 2012.

The expenses incurred during the three month periods ended June 30, 2013 and June 30, 2012 are detailed in the following table.

	3 months ended June 30, 2013	3 months ended June 30, 2012
Dues and fees	$ 6,461	$ 3,401
Foreign exchange loss	$ 18,593	$ -
Insurance	$ 10,488	$ 6,000
Office	$ 8,869	$ 8,035
Professional fees	$ 23,293	$ 7,513
Property investigation	$ -	$ 7,500
Shareholder communication	$ 35,416	$ 627
Stock-based compensation	$ 181,000	$ 88,000
Travel	$ 14,457	$ -
Wages and benefits	$ 54,128	$ 34,860
Total expenses	$ 352,705	$ 155,936
Interest income	$ 4,275	$ -
Net loss before income taxes	$ 348,430	$ 155,936
Income taxes (recovery)	$ -	$ (2,300)
Net loss for the period	$ 348,430	$ 153,636

For the three month period ended June 30, 2013 the Corporation recorded non-cash stock-based compensation expense of $181,000 compared to $88,000 for the three month period ended June 30, 2012. In determining the stock-based compensation expense, the fair value of options issued is estimated using the Black-Scholes option pricing model. A total of 1,270,000 stock options were granted during the recent quarter having an exercise price of $0.20 per common share and a ten-year life. The stock options vested at date of grant.

For the three month period ended June 30, 2013 the Corporation incurred a foreign exchange loss of $18,593 associated with the funding of the exploration activities of MPO, its Mexican subsidiary company. MPO was acquired in March 2013 and accordingly there was no foreign exchange gain or loss in the prior year comparable period.

Subsequent to the successful equity financing and acquisition of Lunar Gold in March 2013, the Corporation increased its shareholder communications and associated travel expenses as part of an effort to enhance investor awareness. These expenses totaled $49,873 compared to $$627 in the prior year comparable period.

Liquidity and Capital Resources

As at June 30, 2013 the Corporation reported cash of $1,076,475, total current assets of $1,208,125 and working capital of $1,037,524.

The Corporation finances its operations through the issuance of equity securities. The Company is dependent on raising additional funding through the issuance of equity securities in order to fund future exploration programs and to meet its ongoing general and administrative requirements and while management has been has been successful in obtaining funding in the past, there can be no assurance that it will be able to do so in the future. The reader should refer to the "Going Concern" disclosure in the Risks and Uncertainties section of this MD&A.

Off-Balance Sheet Arrangements

The Corporation has no off-balance sheet arrangements.

Related Party Transactions

Legal services were provided by an officer of the Corporation. The cost of these services for the three months ended June 30, 2013 was $16,750 (three month period ended June 30, 2012 - $15,365) which was recorded to professional fees expense.

A company controlled by a non-executive director of the Corporation provided consulting services aggregating $27,000 during the three month period ended June 30, 2013 (three month period ended June 30, 2012 - $7,500) which was recorded to resource property exploration expenditures.

The Company incurred office rent expenses of $900 during the three month period ended June 30, 2013 (three month period ended June 30, 2012 - $900) relating to the rental of an office from a non-executive director of the Company.

Obligations With Respect to Flow-Through Shares

Pursuant to the October 2011 private placement financing the Company issued 1,250,000 flow-through shares for gross proceeds of $500,000. The Company agreed to incur $500,000 of eligible "Canadian Exploration Expenses" ("CEE") from the date of closing to December 31, 2012 and renounce such expenditures with an effective date of no later than December 31, 2011.

The Company renounced CEE aggregating $500,000 with an effective date of December 31, 2011 of which $250,287 was incurred during calendar 2011 and $249,713 was incurred during calendar 2012, with the latter amount renounced under the "look-back-rule."

Accounting Standards Issued But Not Yet Applied

The Company does not expect to early adopt the following revised standards and amendments. Accordingly, the Company expects to adopt these standards as set forth below.

IFRS 9, Financial Instruments

IFRS 9, *Financial Instruments*, was issued in November 2009 and addresses classification and measurement of financial assets. It replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9, also replaces the models for measuring equity instruments. Such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. Where equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent that they do not clearly represent a return of investment; however, other gains and losses (including impairments) associated with such instruments remain in accumulated comprehensive income indefinitely.

Requirements for financial liabilities were added to IFRS 9 in October 2010 and they largely carried forward existing requirements in IAS 39, *Financial Instruments* – Recognition and Measurement, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss are generally recorded in other comprehensive income.

Retrospective application of this standard is effective for fiscal years beginning on or after January 1, 2015, with early adoption permitted. The Company has not elected for early adoption of this standard and does not expect there to be any financial impact upon adoption.

IAS 32, Offsetting Financial Assets and Financial Liabilities

IAS 32, Offsetting Financial Assets and Financial Liabilities, was issued in December 2011 and amends the criterion for an entity being allowed to report financial assets and liabilities on a net basis. Retrospective application of this standard is effective for fiscal years beginning on or after January 1, 2014, with early adoption permitted. The

Company does not anticipate early adoption of this standard and does not expect there to be any financial impact upon adoption.

Outstanding Share Data

As at June 30, 2013 and August 16, 2013 the Corporation had 35,771,441 shares issued and outstanding of which 3,150,000 were subject to an escrow agreement. Pursuant to the terms of the escrow agreement 1,050,000 shares are released from escrow at six month intervals.

With respect to the March 2013 private placement financing transaction, subscription proceeds aggregating $16,000 from a subscriber transfer from a registered brokerage account remained outstanding as at June 30, 2013. The 61,538 common shares relating to these subscriptions were held in trust as at June 30, 2013 and, for accounting purposes, were excluded from the issued number of shares. Therefore, the number of shares issued and outstanding at June 30, 2013 for accounting purposes was 35,709,603.

As at June 30, 2013 the Corporation had outstanding 2,690,000 stock options of which 1,000,000 were granted to directors and officers having an exercise price of $0.10 per common share and expire on December 13, 2020, 420,000 were granted to directors, officers and an employee having an exercise price of $0.20 per share and expire on May 18, 2022 and 1,270,000 were granted officers, directors, employees and consultants having an exercise price of $0.20 per share and expire on May 16, 2023.

As at June 30, 2013 the Corporation also had outstanding 176,245 broker warrants which were issued in connection with the March 2013 private placement financing. The warrants have an exercise price of $0.30 per share and expire on March 11, 2014.

The fully diluted number of common shares of the Corporation as at June 30, 2013, and at August 16, 2013, was 38,637,386 (38,575, 848 for accounting purposes).

Risks and Uncertainties

The following are certain factors relating to the business of the Corporation. These risks and uncertainties are not the only ones facing the Corporation. Additional risks and uncertainties not currently known to the Corporation, or that the Corporation currently deems immaterial, may also impair the operations of the Corporation. If any such risks actually occur, the financial condition, liquidity and results of operations of the Corporation could be materially adversely affected and the ability of the Corporation to implement its growth plans could be adversely affected.

The following is a description of certain risks and uncertainties that may affect the business of the Corporation.

Going concern

The Corporation's ability to continue as a going concern is dependent on its ability to successfully identify, evaluate and negotiate an acquisition of, a participation in or an interest in properties, assets or businesses. The Corporation will actively seek financing from time to time to finance its operations; however, the availability, amount and timing of this financing is not certain at this time.

Capital Requirements, Liquidity and Dilution to Shareholders

Additional funds for the establishment of the Corporation's current and planned mining operations will be required. No assurances can be given that the Corporation will be able to raise the additional funding that may be required for such activities, should such funding not be fully generated from operations. Mineral prices, environmental rehabilitation or restitution, revenues, taxes, transportation costs, capital expenditures, operating expenses and geological results are all factors which will have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Corporation may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the

Corporation or at all. If the Corporation is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion, and pursue only those development plans that can be funded through cash flows generated from its existing operations.

Limited Operating History

The Corporation is a relatively new company with limited operating history and no history of business or mining operations, revenue generation or production history. The Corporation was incorporated on June 14, 2010 and has yet to generate a profit from its activities. The Corporation will be subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its growth objective. The Corporation anticipates that it may take several years to achieve positive cash flow from operations.

Competition

The Corporation will compete with many exploration companies that may have substantially greater financial and technical resources than the Corporation, as well as, for the recruitment and retention of qualified personnel.

Reliance on Key Individuals

The Corporation's success depends to a certain degree upon certain key members of the management. It is expected that these individuals will be a significant factor in its growth and success. The loss of the service of members of the management and certain key employees could have a material adverse effect on the Corporation.

Title to Properties

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. The Company cannot give an assurance that title to its exploration properties will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that Oceanus does not have title to its exploration properties could cause the Corporation to lose any rights to explore, develop and mine any minerals on that property, without compensation for its prior expenditures relating to such property.

Other Information

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