

# MAWSON RESOURCES LIMITED

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE NINE MONTHS ENDED FEBRUARY 28, 2013

### Background

This discussion and analysis of financial position and results of operation is prepared as at April 12, 2013, and should be read in conjunction with the unaudited condensed consolidated interim financial statements and the accompanying notes for the nine months ended February 28, 2013 of Mawson Resources Limited ("Mawson" or the "Company"). The Company has adopted International Financial Reporting Standards ("IFRS") and the following disclosure and associated financial statements are presented in accordance with IFRS. Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars. Additional information relevant to the Company can be found on the SEDAR website at [www.sedar.com](http://www.sedar.com) and the Company's website at [www.mawsonresources.com](http://www.mawsonresources.com).

### Forward Looking Statements

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

### Company Overview

The Company's common shares trade on the Toronto Stock Exchange ("TSX") under the symbol "MAW", on the Frankfurt Open Market under the trading symbol "MXR" and on the OTC Pinksheets under the symbol MWSNF.PK.

Mawson is a resource acquisition and development company with precious and base metal interests in Scandinavia, with a focus on the Rompas gold and uranium project in northern Finland.

### Corporate Update

Mawson's exploration focus in Scandinavia is on the Rompas gold and uranium project in Finland.

Mawson is closely held with its largest shareholders (Sentient Group Resources Funds, Areva NC, and insiders) holding close to 50% of the outstanding common shares of Mawson. Mawson is managed by resource industry professionals with significant exploration and capital market expertise.

During the last calendar year the Company achieved many major milestones, which included:

- The restructuring of Mawson's business and capital to allow the Company to focus on the Rompas-Rajapalot gold-uranium discovery in Finland.
- After a three year process, Mawson obtained legal rights to 100% of the central Rompas-Rajapalot claims allowing diamond drilling to commence in earnest.
- The completion of two drill programs at Rompas. The first drill program at South Rompas included the highlight of 6 metres at 617g/t gold from 7 metres in drill hole ROM0011 which includes 1 metre at 3,540g/t gold from 11 metres depth. The second drill program, conducted over the winter (December 2012-January 2013) confirmed the presence and continuity within metabasalts of high grade, nuggety gold at both North and South Rompas.
- Discovery of a "new" Rompas-style system at Rajapalot, located 8km to the east of the initial Rompas discovery. To date, 52 samples from Rajapalot average 152.8g/t gold and range from 0.001g/t to 2,817g/t gold. These results not only demonstrate the scale, prospectivity and extremely high-grade nature of the Rompas-Rajapalot area, but of potentially greater interest is the context of this new discovery with the larger Rompas-Rajapalot project area. At this very early stage of exploration, we now have indications of a mineral

system that has deposited high-grade gold within an area approaching 10km by 10km. This is significant on a global scale.

## Exploration Projects

### *Finland*

In Finland, as at the date of this MD&A, the Company has 110 granted claims at Rompas and one granted claim at Mustamaa approximately 30km south of Rompas totalling 10,580 hectares and 94 hectares respectively. The Company has staked additional claim applications in the Rompas area for a total landholding of 75,433 hectares with potential for gold and 1 Ore Prospecting Reservation for 12,140 hectares, as shown in the Table 1.

On November 2, 2011, Mawson announced that TUKES, the relevant Finnish authority, granted 110 claims in the Rompas project area (Karsikkovaara 1-17, Rompas 1-46 and Kaunismaa 1-47) subject to various conditions. The total surface area of the claim areas is 10,580 hectares. The decision took legal effect after a standard public appeal process, on October 15, 2012.

The granting provides 100% of the mineral rights over the entire claim area to Mawson with limitations on exploration methods that can be completed in Natura 2000 areas (an EU biodiversity program) within the exploration claims, including no drilling or trenching due to the presence of specific flora. Mawson is entitled to apply for a modification of this decision by conducting an environmental program (a Natura 2000 assessment) to address these observations in order to obtain permission to conduct drilling and trenching in these areas. Golder Associates of Finland completed the draft environmental study in March 2013 and the final environmental study will be completed in April 2013. The Company anticipates the modification decision from TUKES over the Natura area will be received late in calendar 2013.

Table 1. Status of Mawson's Claims in Finland.

	No. of Claims	No. of Reservations	Area (ha)	Status
Rompas trend				
Rompas	110	-	10,580	Claims Granted
Rompas	723	-	64,760	Claims - Applications
Mustamaa	1	-	94	Claims - Granted
Mustavaara	1	-	12,140	Applied Ore Prospecting Reservation
Finland other	-	7	104,223	Claim Reservation - Applications
<b>Total</b>	<b>835</b>	<b>7</b>	<b>191,797</b>	

### *Rompas-Rajapalot Gold and Uranium Project*

The Rompas-Rajapalot project is a new discovery in Northern Finland where high-grade gold and uranium have been found within an area approaching 10km by 10km.

The initial discovery area, Rompas, is a hydrothermal vein style system defined over a 6.0 kilometres strike and 200-250 metres width. Exploration on the project started in May 2010. During that year, 80 channel samples averaged 0.59 metres @ 203.66 g/t gold and 0.86% uranium oxide and during 2011 the weighted average of all 74 channel intervals was 1.40 m @ 51.9 g/t gold and 0.13 % uranium oxide. Unrepresentative grab sample results include values up to 33,200ppm gold and 56.6% uranium oxide at Rompas.

In August 2012, results from the first drill program at Rompas returned 6 metres at 617 g/t gold in drill hole ROM0011 including 1 metre at 3,540 g/t gold and 1 metre at 114.5 g/t gold in drill hole ROM0015. These results confirmed the significance of the hundreds of bonanza grade surface occurrences that were channel sampled during 2010 and 2011.

A second drill program commenced in December 2012. At North Rompas the best results include 0.4 metres at 395 g/t gold and 0.41% U<sub>3</sub>O<sub>8</sub> from 41.0 metres in drill hole ROM0052, the most southerly drillhole of the program; and 1.1 metres at 9.8 g/t gold and 0.16% U<sub>3</sub>O<sub>8</sub> from 78.5 metres in drill hole ROM0053.

At South Rompas highlight results are 0.5 metres at 148 g/t gold and 0.42% U<sub>3</sub>O<sub>8</sub> from 16.5 metres in drill hole ROM0074 and 1.4 metres at 17.6 g/t gold and 0.03% U<sub>3</sub>O<sub>8</sub> from 5.8 metres in drill hole ROM0079. In total 9 of the 14 drill holes intersected more than 1 g/t Au (0.5 m or greater sampling width). What became clear in the South Rompas

drilling was the significant host rock control on the mineralisation - all of the significant intersections are hosted within the one rock type and are associated with radiometric anomalies.

The host sequence to the Rompas mineralisation comprise a package of amphibolite facies metamorphosed basalts, clastic sediments, carbonate rocks and reduced shales of the Paleoproterozoic Peräpohja Schist Belt in southern Lapland. Mineralized intersections to date are largely within metabasaltic rocks. Field geologists have successfully mapped the metabasalts at North and South Rompas and can recognise them quickly in drill core.

Detailed field mapping and logging of drill core indicate the gold and uraninite at Rompas is hosted by carbonate-quartz-calcisilicate veins and their related alteration selvages. The calcisilicate veins comprise carbonate, quartz, amphibole and pyroxene with highly variable amounts and distribution of uraninite and gold. Alteration of the host rock marginal to the veins comprises biotite, amphibole and some K-feldspar. The gold and uraninite are typically found intimately associated at North and South Rompas, although rare elevated U intersections contain little or no gold. The carbonate veins within the host clastic sequence appear identical to those within the metabasalts, indicating perhaps a structural or wall rock control on the precipitation of the gold and uraninite. Further work to identify the controls on mineralisation is being conducted in association with the Geological Survey of Finland (GTK).

In September 2012, Mawson announced a new discovery at the Rajapalot area located 8 kilometres to the east of the Rompas trend. The style of mineralization at Rajapalot is predominately sulphidic and of a disseminated or replacement style, which differs from the vein style observed at Rompas. Highlights from this work include prospecting grab samples taken from outcrop that returned 2,817g/t gold, 2,196g/t gold, 1,245g/t gold, 933g/t gold, 151g/t gold and 135.5g/t gold. A total of 52 grab samples from the Rajapalot prospect to date average 152.8g/t gold and range from 0.001g/t to 2,817g/t gold.

Discovery grab samples from the Rajapalot project have returned gold mineralization from three distinct areas, namely the Palokas, Joki and Rumajärvi prospects. The areas were targeted with regional geophysics and surface soil geochemistry. Rumajarvi lies 1.5 kilometres south of Palokas, while Joki is located 1 kilometre southeast of Palokas. Each prospect area is characterized by minor outcrop on a topographic high, within a predominantly swampy terrain and therefore very little in situ bedrock has been located. Little outcrop has been found between the prospect areas. As the same mineralized rock types occur in outcrop, the glacial boulders sampled and reported here are considered to be proximal to their source. All samples are prospecting grab samples. These are selective by nature and are unlikely to represent average grades on the property.

Preliminary diamond drilling of three target areas at Northern Rajapalot was conducted in February 2013. Eight holes for 761.5 metres were completed. Drilling at North Rajapalot encountered low grade mineralization in PAL0003 and PAL0003B which respectively intersected 2.5 metres at 0.3 g/t Au and 3.1 metres at 0.4 g/t Au. Although sub-economic, this additional information will help understand the controls and distribution of gold mineralization in this virgin area, located 8 kilometers east of Rompas.

The best targets within the Rajapalot area lie within the Natura 2000 areas and it remains our intent to drill these as soon as the modification to our claims is granted by TUKES. Exploration work during the summer of 2013 will focus on field mapping and rock chip sampling to increase our understanding of the Rajapalot area and locate more high grade and disseminated gold.

Importantly, about 90% of the Rompas-Rajapalot project area is below soil and till cover which, at up to 5m thick, is too thick for the discovery of near-surface radiometric occurrences and exploration is at its very earliest of stages.

At this very early stage of exploration, Mawson has now identified a mineral system that has deposited high-grade gold within an area approaching 10km by 10km. This is very significant on a global scale.

A NI 43-101 technical report dated November 2, 2011 on the Rompas property is filed on [www.sedar.com](http://www.sedar.com).

*A Chronology of the Last Year (April 09, 2012 to April 03, 2013):*

**April 03, 2013.** Mawson announced the second batch of drill results from the 2013 winter drilling program at the North Rompas, South Rompas and North Rajapalot prospects in Finland. Results from the remaining 29 holes of a 51 diamond drill hole program were reported. The best intersection returned is 0.5 metres at 148 g/t gold and 0.42% U<sub>3</sub>O<sub>8</sub> from 16.5 metres depth in drill hole ROM0074 at South Rompas.

Key points:

- Highlight results are 0.5 metres at 148 g/t gold and 0.42% U<sub>3</sub>O<sub>8</sub> from 16.5 metres in drill hole ROM0074 and 1.4 metres at 17.6 g/t gold and 0.03% U<sub>3</sub>O<sub>8</sub> from 5.8 metres in drill hole ROM0079 from South Rompas;
- At South Rompas, drilling has clearly defined a gold-mineralized envelope;
- At Rajapalot, drilling has intersected broad low-grade gold zone, 8 kilometres east of the Rompas trend;
- In total 51 drill holes have been completed this winter at Rompas-Rajapalot, with 29 drill holes for 2,462 metres drilled at North Rompas; 14 holes for 753 metres at South Rompas and 8 holes for 762 metres at North Rajapalot.

Eight drill holes from North Rompas are reported, namely holes ROM0061 to ROM0068. Holes ROM0061 -- ROM0063 were drilled on wider cross sections at 100-200 metres spacing while holes ROM0064 to ROM0068 were drilled on 40-50 metre spaced cross sections. Fourteen drill holes are reported from South Rompas, namely holes ROM0069 to ROM0082. These holes were drilled on 10-15 metre spaced cross sections. Eight drill holes are reported from North Rajapalot, namely holes PAL001 to PAL007.

Drilling at North Rajapalot encountered low grade mineralization, as evidenced in PAL0003 and PAL0003B which respectively intersected 2.5 metres at 0.3 g/t Au and 3.1 metres at 0.4 g/t Au. Although sub-economic, this additional information will help understand the controls and distribution of gold mineralization in this virgin area, located 8 kilometers east of Rompas.

At Rompas, the highest grade gold mineralization occurs in individual structures which may have a small horizontal footprint, perhaps less than the current drill spacing, within the much larger mineralized envelope. To date, drilling has not defined the scale, orientation or the continuity of the high grade gold within the broader mineralized envelope. The true thicknesses of the high grade structures remain unknown. However, down hole radiometric measurements are a good proxy for gold mineralization, and indicate that there are continuous zones of higher radioactivity with variable grades of gold mineralized structures, which now need to be tested via bulk sampling.

**February 28, 2013:** Mawson announced maiden drill results from the winter 2013 drilling program at the North Rompas prospect in Northern Finland. Results from 20 holes from a 29 diamond drill hole program are presented here. The best intersection returned to date is 0.4 metres at 395 g/t gold and 0.41% U<sub>3</sub>O<sub>8</sub> from 41.0 metres depth in drill hole ROM0052.

Key points:

- Highlight results are 0.4 metres at 395 g/t gold and 0.41% U<sub>3</sub>O<sub>8</sub> from 41.0 metres in drill hole ROM0052, the most southerly drillhole of the program; and 1.1 metres at 9.8 g/t gold and 0.16% U<sub>3</sub>O<sub>8</sub> from 78.5 metres in drill hole ROM0053;
- Program is the first drill test of the North Rompas prospect area;
- Early days with only 120 metres of strike tested down to an average of 60 metres vertically over the 1 kilometre strike of known surface geochemical anomalism at North Rompas;
- Mineralization intersected at North Rompas is of similar style to that drilled five kilometres south at South Rompas, characterised by hydrothermal calc-silicate veining and alteration. Gold is associated with some calc-silicate veins and appears to have a nuggetty distribution. Gold is restricted to a basaltic host rock;
- New style of uranium-only mineralization discovered, as evidenced in ROM0047 where 4.2 metres for 306 ppm U<sub>3</sub>O<sub>8</sub> was drilled;
- In total 51 drill holes have been completed this winter at Rompas-Rajapalot, with 29 drill holes for 2462.8 metres drilled at North Rompas; 14 holes for 752.6 metres at South Rompas and 8 holes for 761.5 metres at North Palokas. Geochemical results for 30 drill holes awaited;
- Securing permits to test the best geological targets within the entire mineralized trend at Rompas-Rajapalot remains a priority.

Twenty-one drill holes are reported from North Rompas in this release, namely holes ROM0040 to ROM0060. Holes ROM0040 to ROM0057 were drilled in a 120 metre long by 85 metre wide zone down to, on average, 60 metres vertical depth on 20-25 m spaced cross sections. Holes ROM0058 - ROM0060 were drilled on a wider cross section 60 metres to the north (ROM0059 was abandoned due to drilling complications). The aim of the program was to understand the distribution of gold relative to the surface trench sampling. The distribution of gold is similar to that seen at South Rompas and appears nuggetty in its distribution. Visible gold was noted 6 times while visible uraninite was noted nine times in the reported holes. Eight holes remain to be reported from North Rompas and uraninite has

been noted at four locations within these holes. Drilling at North Rompas also encountered a new style of uranium-only mineralization, as evidenced in ROM0047 where 4.2 metres for 306 ppm U<sub>3</sub>O<sub>8</sub> was drilled with no evidence for gold mineralization. Although sub-economic, this additional information will help understand the controls and distribution of gold and uranium mineralization, and the association of uranium as a pathfinder for gold. The nature of high grade gold mineralization means that individual structures may have a small horizontal footprint, perhaps less than the current drill spacing, within the much larger mineralized envelope. To date, drilling has not defined the scale, orientation nor continuity of the high grade structures and true thickness is unknown, although gold mineralization is restricted to a basaltic host rock.

This drill program has provided the first opportunity to sample continuously across the mineralized “footprint” at North Rompas. Drilling has confirmed the width and scale of an 80 metre wide hydrothermal veined mineral system with a defined hanging wall and footwall. The zone is variably but consistently calc-silicate (actinolite/tremolite and calcite) veined with multiple zones up to 10-20m wide hosting up to 30% veining. Mineralized veins are texturally and compositionally similar to those that are not mineralized.

As drilling progress has been fast, winter drilling has been halted until the Company is able to review all results. In total 51 drill holes have been completed, with 29 drill holes for 2462.8 metres drilled at North Rompas; 14 holes for 752.6 metres were drilled at South Rompas to test previous high grade drill results; and 8 holes for 761.5 metres were drilled at North Palokas to test blind geophysical anomalies adjacent to the Hirvimaa prospect. Geochemical results are awaited from the remaining 30 drill holes.

**January 14, 2013:** Mawson announced they had discovered further gold mineralization at the Rajapalot project in Northern Finland with grab samples returning up to 1,520 g/t gold. Mineralization has now been discovered within an area of 4 square kilometres at Rajapalot, which lies 8 kilometres east of the initial Rompas gold discovery.

Highlights from the new results include:

- Discovery of new prospect area, Hirvimaa, located 1 kilometre north of previously known mineralization, where 17 surface grab samples returned up to 1,520 g/t gold (minimum 0.0 g/t gold) and 17,300 ppm uranium (minimum 0.1 ppm uranium) and averaged 55.5 g/t gold and 2,246 ppm uranium.
- Rock chip sampling across a strongly altered outcrop at the Palokas prospect averaged 13.4 g/t gold and 226 ppm uranium over 9 metres. Mineralization is sampled to the overburden contact in both directions. This is the widest zone of continuous gold mineralization found at Rompas-Rajapalot to date. Additionally, the style of mineralization is more sulphidic and of a disseminated or replacement style, which differs from the vein style observed at Rompas. A 1.4 kilometre by 1 kilometre ground based electromagnetic and magnetic geophysical survey is currently underway to test this area and determine extensions of this zone undercover.
- Results from limited channel sampling at Hirvimaa returned up to 2.0m at 21.5 g/t gold and 44 ppm uranium.
- In total, 80 grab samples from the Rajapalot prospect to date average 152.0 g/t gold and 3,248 ppm uranium and range from 0.001g/t to 2,817 g/t gold and 0.1 to 81,900 ppm uranium.

**October 29, 2012:** Mawson discovered bonanza gold grades at the Rajapalot prospect in Finland, returning up to 2,817g/t gold from prospecting grab samples within 3 areas separated by many kilometres. Rajapalot is located 8 kilometres to the east of the Rompas gold project in Northern Finland. Highlights from this work included:

- Prospecting grab samples taken from outcrop returned 2,817g/t gold, 2,196g/t gold, 1,245g/t gold, 933g/t gold, 151g/t gold and 135.5g/t gold amongst 36 new grab samples;
- 52 samples from the Rajapalot prospect to date average 152.8g/t gold and range from 0.001g/t to 2,817g/t gold.

**October 17, 2012:** Mawson announced that 110 granted exploration claims that cover a surface area of 10,580 hectares at Mawson’s Rompas gold project in northern Finland came into legal force following the completion of a standard appeal process.

**September 4, 2012:** Mawson announced results from a new gold discovery at Rajapalot located eight kilometres to the east of the Rompas project in Northern Finland. Key points of the announcement were:

- A new gold discovery, located 8 kilometres east of the Rompas gold project in Finland, from an initial 18 grab sample exploration program.

- The samples taken from outcrop and boulders averaged 11.0g/t gold and ranged from 0.001g/t to 85g/t gold within 3 separate prospect areas separated by many kilometres.
- Together with Rompas, the discovery provides further evidence for a large new gold camp in Finland;
- Fourteen sample results remain to be received, of which 5 contain visible gold.

Discovery grab samples returned gold mineralization from three distinct areas, namely the Palokas, Joki and Rumajärvi prospects. The areas were targeted with regional geophysics and surface soil geochemistry. Rumajarvi lies 1.5 kilometres south of Palokas, while Joki is located 1 kilometre southeast of Palokas. Each prospect area is characterized by minor outcrop on a topographic high, within a predominantly swampy terrain, and therefore very little in situ bedrock has been located. Little outcrop has been found between the prospect areas. As the same mineralized lithologies occur in outcrop, the glacial boulders sampled and reported here are considered to be proximal to their source. The current highlight is the Palokas area where two grab samples from adjacent outcrops returned 85.0g/t gold and 66.3g/t gold. Results for only 18 grab samples to date have been received from the 32 samples submitted. Grab samples are selective by nature and are unlikely to represent average grades on the property.

The discoveries are located within the hinge of a complex fold structure within quartzitic and basaltic rocks. The style of mineralization in the Joki area is similar to Rompas and consists of calc-silicate veins in albitized quartzites and basalts, with more pyrite and magnetite than observed in Rompas. Mineralization in Palokas and Rumajarvi appears to be a new style and consists of highly altered quartzites with albite, carbonate, amphibole, sericite and biotite with disseminated and stockworks of pyrite. Gold mineralization appears to be disseminated within the host rock, with no obvious associated calc-silicate veining.

**August 20, 2012:** Mawson announced final results from 16 holes from the of 39 diamond holes for 4,187 m Phase 1 drilling program. New results released included 1 metre at 4.3 g/t gold from 17 metres depth and 1 metre at 3.2 g/t gold from 68 metres in drill hole ROM0037 (all drilled at South Rompas).

Although the program only tested a small proportion of the 6 kilometre strike of mineralization down to an average depth of 50 metres, some spectacular drill discoveries were made. Drilling tested only two small windows, with drilling along the remainder of the trend awaiting further permitting. In total 39 holes for 4,187.8 metres were drilled at South Rompas in two small areas: the North (24.8 hectares) and South Blocks (18.9 hectares). The North Block corresponds to significant surface mineralization and was drill tested with 15 holes for 1,683.6 metres over a 160 metre strike. Ten holes drilled in the North Block returned gold of >0.5 g/t over one metre or better. Drilling in the South Block was of a lower priority, as it tested the southern extension of the interpreted mineralized trend under soil cover. Twenty-four holes for 2,504.3 metres were drilled over 240 metres of strike, two of which returned gold of >0.5 g/t over one metre or better. A majority of drilling in the South Block was designed in an east-west traverse in order to understand the geology beneath glacial soils, and investigate nearby geophysical anomalies.

Compilation of drilling data has led to an improved understanding of the Rompas mineral system. Drilling confirmed the width and scale of a >100 metre wide hydrothermal veined mineral system with a defined hanging wall and footwall. The zone is variably but consistently calc-silicate (actinolite/tremolite and calcite) veined with multiple zones up to 20 metres wide hosting 20% to 30% veining. Some veins host significant gold with visible gold noted in 12 drill holes. Mineralized veins are similar in texture and composition to those that are not mineralized. Recent research has defined an altered mafic volcanic as host to mineralization and delineated a geochemical halo which has the capability to show the extent of the high grade gold envelope. Although bonanza gold grades may not be continuous at the scale of current drilling (20 to 40 metre spaced sections), this envelope enables better drill targeting at both prospect scale and within individual high grade structures.

Work completed in the summer program included 62 line kilometres of geophysical surveying (gradient array induced polarization) over the Rompas trend; a 1,200 sample soil grid and rock chip program over the prospective sequence in the Rompas trend and regional prospecting.

As a result of the prospecting work, a new area of Rompas-style mineralization has been discovered at Rajapalot, 8 kilometres east of Rompas. Visible gold and uraninite has been found within carbonate veins within albitized basalt in 3 sites (2 boulders, one outcrop) over an 800 metre trend where 36 radioactive spots have been identified to date. All radioactive sites have been discovered under thin soil, and to date only a few of been exposed. This trend lies within a broader 5 kilometre long anomalous area where 96 radioactive sites have been located where the rocks contain uraninite within in albitized, sericitized, sulphide-bearing and variably amphibole altered quartzites. Reconnaissance grab sampling of some areas has been undertaken, work continues and results of sampling are awaited.

**July 10, 2012:** Mawson announced results from a further 9 drill holes from the Rompas gold project in Northern Finland. The highlight result was 1 metre at 114.5 g/t gold from 44 metres depth in drill hole ROM0015.

Phase 1 drilling was completed at South Rompas for a total of 39 diamond holes for 4,178 metres. Drilling during this Phase 1 program tested two small windows of the larger 6 kilometre mineralized strike at Rompas. Drilling in other areas awaits further permitting. Assay results reported on this date were from 9 drill holes: ROM0015, ROM0017, ROM0018 and ROM0022 from the northern block of South Rompas and ROM0023, ROM0026, ROM0027, ROM0029 and ROM0030 from the southern block of South Rompas. Results from a total of 24 from 39 drill holes have now been released.

The northern block of South Rompas corresponds to significant surface mineralization and has now been drill tested over a 160 metre strike. All 4 holes reported in this release from the northern block returned gold >0.5 g/t over one metre or better. In contrast, the southern block tested the southern extension of the interpreted mineralized trend under soil cover and has now been drill tested over 240 metres of strike. Holes reported from the southern block did not return mineralization above 0.5 g/t gold. Drilling was completed on 20 to 40 metres spaced sections with drill holes averaging 100 metre depth, with 1 to 4 holes drilled on each section. Holes were drilled at 45 degrees to the west and east.

This drill program has provided the first opportunity to sample continuously across the mineralized “footprint”. Drilling has confirmed the width and scale of a >100 metre wide hydrothermal veined mineral system with a defined hanging wall and footwall. The zone is variably but consistently calc-silicate (actinolite/tremolite and calcite) veined with multiple zones up to 20m wide hosting 20% to 30% veining. Some veins host significant visible gold. Mineralized veins are texturally and compositionally similar to those that are not mineralized. The calc-silicate veins are thought to have formed during an early structural event and have been deformed by later geological events.

**May 31, 2012:** Mawson announced the first drill results from the Rompas gold project in Northern Finland. Results from 14 holes from a planned 39 diamond drill hole program (these were all drilled at what is now known as ‘South Rompas’). The best result returned is 6 metres at 617 g/t gold from 7 metres depth in drill hole ROM0011. Key points were:

- Highlight - 6 metres at 617g/t gold from 7 metres in drill hole ROM0011 which included 1 metre at 3,540g/t gold from 11 metres depth. This was the best result from surface sampling or drilling ever sampled at the Rompas property to date.
- Drill definition of a greater than 100m wide gold anomalous zone characterised by hydrothermal calc-silicate veining and alteration. Gold is associated with some calc-silicate veins.
- First drill testing of the Rompas project with a small percentage of the six kilometre long mineralized trend drill tested to date.
- Securing permits to test the best geological targets within the entire mineralized trend at Rompas now becomes even more of a priority (*note - drilling is required within Natura 2000 zones*).

**April 9, 2012:** Mawson announced that a second diamond drill rig was mobilized to the Rompas gold project in Northern Finland, in order to complete the 3,000 metre drill program before spring breakup. The rocks drilled were predominately biotite bearing calc-silicates which vary from biotite-tremolite schists to more massive tremolite-carbonate rocks. Common carbonate-actinolite veins with minor quartz and biotite selvages variably cut the host rock. Visible gold has been noted within centimetre wide zones within 6 of the 11 holes drilled to date.

### *Sweden*

During fiscal 2012 Mawson staked nine claim applications that were granted for a total of 27,991 hectares. A further 11 claim applications were made in February 2013 for 57, 967 hectares. The Company has two geological staff working in Sweden and preliminary exploration work on these claims will be reported later in Calendar year 2013.

Table 2. Status of Mawson's 100% Owned Claims in Sweden.

Project	No. of Claims	Area (ha)	Status
Tjålmak	1	4,665	Claim Granted
Loos	4	9,583	Claim Granted
Lill-träsket	1	8,805	Claim Granted
Krokom	3	4,938	Claim Granted
Airijärvi	1	4,760	Claims - Applications
Skelleftea South	3	13,747	Claims - Applications
Turingen	2	4,673	Claims - Applications
Aitik Extensions	2	23,795	Claims - Applications
Unnasenrova	3	10,992	Claims - Applications
<b>Total</b>	<b>20</b>	<b>85,958</b>	

### ***Future Developments***

Upcoming future developments include:

- Airborne geophysics at the Rajapalot gold discovery;
- Apply for modification of granting to drill in Natura 2000 area;
- Metallurgical testing of gold mineralisation from Rompas;
- Extensive field mapping and sampling program during summer across Rajapalot area;
- Investigation of orientation and continuity of gold at South and North Rompas;
- Further drill testing at Rompas-Rajapalot.

### **Joint Ventures**

In February 2010 the Company announced it had signed an Option Agreement to explore the Orrbäcken nickel project, which won the annual Swedish "Mineral Hunt" Competition for 2009. Subsequent to this Option Agreement, Mawson entered a Joint Venture Agreement with Independence Group ("IGO") ([www.igo.com.au](http://www.igo.com.au)), a nickel mining and exploration company listed on the Australian Stock Exchange, that provides IGO with the right to explore and advance the project. Both IGO and Mawson withdrew from the Orrbäcken nickel project joint venture agreements in early January 2013 as exploration directed at Ni-Cu-Co sulphide mineralisation on the Orrbäcken JV downgraded the potential for discovery of any significant mineralization of this type within the tenements.

Separately in Sweden, ASX-listed Hodges Resources Ltd. ("Hodges") has earned the right to earn 51% in four of Mawson's earlier stage uranium projects by funding work program expenditures of US \$500,000 over four years from April 2007, including the Norr Döttern and Harrejokk projects in the Arvidsjaur-Areplog area. Hodges can earn up to 75% by fully funding any project to successful bankable feasibility. Mawson is free carried to a bankable feasibility on all these projects.

### **Qualified Person**

The qualified person for Mawson's projects, Mr. Michael Hudson, the Company's President and CEO, a Fellow of the Australasian Institute of Mining and Metallurgy, has reviewed and verified the contents of this document.

### **Investments**

As at February 28, 2013 the Company holds investments in two public companies:

- Hansa Resources Limited ("Hansa") 3,500,000 common shares
- Tumi Resources Limited ("Tumi") 75,000 common shares



## Selected Financial Data

The following selected financial information is derived from the unaudited condensed consolidated interim financial statements of the Company. All comparative figures have been revised for the adoption of IFRS.

	Fiscal 2013			Fiscal 2012				Fiscal 2011
	Feb 28 2013 \$	Nov 30 2012 \$	Aug 31 2012 \$	May 31 2012 \$	Feb 29 2012 \$	Nov 30 2011 \$	Aug 31 2011 \$	May 31 2011 \$
<b>Operations:</b>								
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	(670,567)	(649,549)	(645,448)	(1,315,654)	(984,309)	(603,462)	(778,410)	(440,823)
Other items	22,172	38,995	6,721	(1,985,507)	(50,797)	(7,212)	(14,814)	(254,992)
Deferred income tax	13,400	(5,400)	12,000	8,850	(1,650)	500	(41,000)	70,300
Net loss	(634,995)	(615,954)	(626,727)	(3,292,311)	(1,036,756)	(610,174)	(834,224)	(625,515)
Other comprehensive (loss) income, net	(121,025)	(131,600)	84,000	(102,350)	(5,850)	(2,000)	(114,000)	556,700
Comprehensive loss	(756,020)	(747,554)	(542,727)	(3,394,661)	(1,042,606)	(612,174)	(948,224)	(68,815)
Basic and diluted loss per share	(0.01)	(0.01)	(0.01)	(0.06)	(0.02)	(0.01)	(0.02)	(0.02)
Dividends per share	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Balance Sheet:</b>								
Working capital	6,305,321	7,946,641	5,534,536	6,807,693	9,120,965	10,348,937	11,792,166	13,012,489
Total assets	14,937,634	15,552,720	12,269,199	13,111,477	20,823,319	20,986,972	21,513,030	22,041,969
Total long-term liabilities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

## Results of Operations

During the nine months ended February 28, 2013 (the “2013 period”) the Company reported a net loss of \$1,877,676 (\$0.03 per share), a decrease of \$603,478 from the net loss of \$2,481,154 (\$0.05 per share) for the nine months ended February 29, 2012 (the “2012 period”). The primary factors for the decrease are attributed to recognition of share-based compensation of \$299,200 during the 2012 period compared to \$41,000 during the 2013 period and overall decrease in expenses due to the spin-out of its Peruvian assets in the 2012 period.

Total expenses decreased by \$400,617, from \$2,366,181 during the 2012 period to \$1,965,564 during the 2013 period. Specific expenses of note during the 2013 period are as follows:

- incurred a total of \$86,718 (2012 - \$79,100) for accounting and administrative services and rent of which \$37,800 (2012 - \$79,100) was provided by Chase Management Ltd. (“Chase”), a private corporation owned by a director of the Company and \$48,918 (2012 - \$nil) was provided by external accounting services in Sweden and Finland;
- incurred legal fees of \$204,259, primarily for legal work to review claims applications in Finland and addressing Natura 2000 environmental requirements compared to legal fees of \$371,862 during the 2012 period which were primarily for the Company’s Arrangement and the sale of the Uranium Assets
- incurred general exploration expenditures of \$391,427 (2012 - \$266,595) relating to ongoing general exploration and property due diligence. Fluctuations in general exploration expenditures is primarily affected by allocations to direct property costs;
- incurred \$224,545 (2012 - \$237,900) for travel expenses, primarily for ongoing international travel by Company management, personnel and contract geologists to oversee the Company’s properties and exploration programs and for general corporate and financing activities;
- incurred audit fees of \$83,240 (2012 - \$52,315). The change between the 2013 period and 2012 period was due solely to the timing of the billings of the audit of the Company’s year-end financial statements;
- the Company retained Mining Interactive Corp. (“Mining Interactive”) and Albis Capital Corporation (“Albis”) to provide market awareness and investor relations activities. During the 2013 period the Company paid Mining Interactive \$28,000 (2012 - \$31,500) and Albis \$27,000 (2012 - \$nil). Effective January 31, 2013 the Company terminated its arrangements with Mining Interactive;
- incurred \$278,061 (2012 - \$267,423) for professional services, which includes \$245,943 (2012 - \$237,507) for professional fees charged by current and former directors and officers of which \$83,448 (2012 - \$97,395) is capitalized to exploration and evaluation assets;
- incurred \$121,500 (2012 - \$121,500) for management fees charged through Sierra Peru Pty (“Sierra”) for remuneration of Mr. Michael Hudson as the Company’s President and CEO;

- incurred corporate development expenses of \$59,125 (2012 - \$126,469) for participation at international and investment conferences and implementation of market awareness programs;
- incurred salaries and benefits of \$113,533 (2012 - \$248,363) for staff in the mining offices in Finland and Sweden. During the 2012 period the Company incurred salaries and benefits of \$130,042 for staff in the mining office in Peru; and
- recorded share-based compensation of \$41,000 (2012 - \$299,200) on the granting of share options.

As the Company is in the exploration stage of investigating and evaluating its unproven mineral interests, it has no revenue. Interest income is generated from cash on deposit with the Bank of Montreal and short-term money market instruments issued by major financial institutions. During the 2013 period the Company reported interest and other income of \$85,243 as compared to \$109,208 during the 2012 period.

The Company's holdings in the common shares of a number of publicly held companies have been designated as available-for-sale for accounting purposes and are measured at fair value resulting in a comprehensive loss of \$168,625, net of deferred income tax of \$20,000, during the 2013 period compared to a comprehensive loss of \$121,850, net of deferred income tax recovery of \$42,150, during the 2012 period. The Company's holdings in the warrants have been designated as held-for-trading for accounting purposes and are measured at fair value resulting in an unrealized loss of \$3,000 during the 2013 period compared to an unrealized loss of \$58,994 during the 2012 period. See also "Investments" in this MD&A.

During the 2013 period the Company incurred a total of \$2,502,379 (2012 - \$2,043,805) on exploration and evaluation assets, of which \$2,359,034 (2012 - \$1,524,366) was incurred on its Finnish Projects and \$143,345 (2012 - \$519,439) on its other projects. Details of the exploration activities conducted during the 2013 period are described in "Exploration Projects" in this MD&A.

### **Financial Condition / Capital Resources**

As at February 28, 2013, the Company had working capital of \$6,305,321. The Company also holds investments with quoted value or estimated value totalling \$206,375. Although the Company believes that it currently has sufficient financial resources to conduct anticipated exploration programs and meet anticipated corporate administration costs for the upcoming twelve month period, the proposed Arrangement and resulting corporate reorganization will split the Company into two separate public companies. In addition, exploration activities may change due to ongoing results and recommendations, or the Company may acquire additional properties, which may entail significant funding or exploration commitments. The Company may be required to obtain additional financing. The Company has relied solely on equity financing to raise the requisite financial resources. While it has been successful in the past, there can be no assurance that the Company will be successful in raising future financing should the need arise.

### **Off-Balance Sheet Arrangements**

The Company has no off-balance sheet arrangements.

### **Proposed Transactions**

There are no proposed transactions.

### **Critical Accounting Estimates**

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Examples of significant estimates made by management include estimating the fair values of financial instruments, valuation allowances for deferred income tax assets and assumptions used for share-based compensation. Actual results may differ from those estimates.

A detailed summary of all the Company's significant accounting policies is included in Note 3 to the May 31, 2012 annual consolidated financial statements.

## Changes in Accounting Policies

There are no changes in accounting policies.

## Related Parties Disclosures

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period.

### (a) *Transactions with Key Management Personnel*

During the nine months ended February 28, 2013 and February 29, 2012 the following amounts were incurred with respect to the Company's President, current and former Vice-President of Exploration and Chief Financial Officer ("CFO"):

	2013 \$	2012 \$
Management fees	121,500	121,000
Professional fees	<u>155,943</u>	<u>170,007</u>
	<u>277,443</u>	<u>291,507</u>

As at February 28, 2013, \$33,915 (2012 - \$61,362) of the above amounts remained unpaid and has been included in accounts payable and accrued liabilities.

The Company has a management agreement with the President, which provides that in the event the President's services are terminated without cause or upon a change of control of the Company, a termination payment of two years of compensation, at \$13,500 per month, is payable. If the termination had occurred on February 28, 2013, the amount payable under the agreement would be \$324,000.

### (b) *Transactions with Other Related Parties*

During the nine months ended February 28, 2013 and February 29, 2012 the following amounts were incurred with respect to non-executive directors of the Company:

	2013 \$	2012 \$
Professional fees	90,000	67,500
Health benefits	<u>550</u>	<u>659</u>
	<u>80,550</u>	<u>68,159</u>

In addition, during the nine months ended February 28, 2013 the Company incurred a total of \$37,800 (2012 - \$49,100) with Chase Management Ltd. ("Chase"), a private corporation owned by the CFO of the Company, for accounting and administration services provided by Chase personnel, excluding the CFO, and for rent.

As at February 28, 2013, \$23,400 (2012 - \$16,300) of the above amounts remained unpaid and has been included in accounts payable and accrued liabilities.

(c) During the nine months ended February 28, 2013 the Company incurred \$23,059 (2012 - \$nil) for shared administration costs with public companies with common directors and officers. As at February 28, 2013, \$2,868 (2012 - \$nil) of the amount remained unpaid and has been included in accounts payable and accrued liabilities.

(d) During the the nine months ended February 28, 2013 the Company recovered \$14,961 (2011 - \$nil) for shared office personnel and costs from public companies with common directors and officers

## **Risks and Uncertainties**

The Company competes with other mining companies, some of which have greater financial resources and technical facilities, for the acquisition of mineral concessions, claims and other interests, as well as for the recruitment and retention of qualified employees.

The Company is in compliance in all material regulations applicable to its exploration activities. Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. Before production can commence on any properties, the Company must obtain regulatory and environmental approvals. There is no assurance that such approvals can be obtained on a timely basis or at all. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations.

The Company's material mineral properties are located in Scandinavia and consequently the Company is subject to certain risks, including currency fluctuations which may result in the impairment or loss of mining title or other mineral rights, and mineral exploration and mining activities may be affected in varying degrees by governmental regulations relating to the mining industry.

## **Investor Relations Activities**

The Company provides information packages to investors; the package consists of materials filed with regulatory authorities. The Company updates its website ( [www.mawsonresources.com](http://www.mawsonresources.com) ) on a continuous basis. Effective November 1, 2004 the Company retained Mining Interactive to provide market awareness and investor relations activities. During the 2013 period the Company paid Mining Interactive a total of \$28,000 (2012 - \$31,500). The arrangement with Mining Interactive was terminated effective January 31, 2013.

Effective February 8, 2012 the Company retained Albis to provide market awareness and investor relations activities. During the 2013 period the Company paid Albis a total of \$27,000 (2012 - \$nil). The arrangement may be cancelled by either party on 30 days notice.

## **Outstanding Share Data**

The Company's authorized share capital is unlimited common shares without par value. As at April 12, 2013 there were 56,008,211 issued and outstanding common shares. In addition, there were 2,486,100 share options outstanding, at exercise prices ranging from \$0.41 to \$2.35 per share and 4,920,667 warrants outstanding at an exercise price of \$0.857 per share.

## **Disclosure Controls and Procedures**

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to senior management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to permit timely decisions regarding public disclosure.

Management, including the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer has concluded that the Company's disclosure controls and procedures, as defined in National Instrument 52-109 - Certification of Disclosure in Issuer's Annual and Interim Filings ("52-109"), are effective to ensure that the information required to be disclosed in reports that are filed or submitted under Canadian Securities legislation are recorded, processed, summarized and reported within the time period specified in those rules. In conducting the evaluation it has become apparent that management relies upon certain informal procedures and communication, and upon "hands-on" knowledge of senior management. Management intends to formalize certain of its procedures. Due to the small staff, however, the Company will continue to rely on an active Board and management with open lines of communication to maintain the effectiveness of the Company's disclosure controls and procedures. Lapses in the disclosure controls and procedures could occur and/or mistakes could happen. Should such occur, the Company will take whatever steps necessary to minimize the consequences thereof.

## Internal Controls and Procedures over Financial Reporting

Management is also responsible for the design of the Company's internal control over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian generally accepted accounting principles.

In the course of evaluating internal controls over financial reporting as at February 28, 2013 management has identified the following reportable deficiencies:

- (a) there is limited segregation of duties which could result in a material misstatement in the Company's financial statements. Given the Company's limited staff level, certain duties within the accounting and finance department cannot be properly segregated. However, none of these segregation of duty deficiencies resulted in material misstatement to the financial statements as the Company relies on certain compensating controls, including periodic substantive review of the financial statements by the Chief Executive Officer, Audit Committee and Board of Directors.
- (b) when required, the Company records complex and non-routine transactions. These are sometimes extremely technical in nature and require an in-depth understanding of GAAP. The Company's accounting staff have only a fair and reasonable knowledge of the rules related to GAAP and the transactions may not be recorded correctly, potentially resulting in material misstatements of the financial statements of the Company.

To address this risk, the Company consults with its third party advisors as needed in connection with the recording and reporting of complex and non-routine transactions.

It should be noted that a control system, no matter how well conceived or operated, can only provide reasonable assurance, not absolute assurance, that the objectives of the control system are met. The control framework the officers used to design the Company's internal control over financial reporting is the *Internal Control - Integrated Framework* ("COSO Framework") published by the Committee of Sponsoring Organizations ("COSO") of the Treadway Commission.

The Company is required to disclose herein any change in the Company's internal control over financial reporting that occurred during the period beginning on December 1, 2012 and ending on February 28, 2013 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting. No material changes in the Company's internal control over financial reporting were identified during such period that has materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.