Form 51-102F1
Management's Discussion and Analysis ("MD&A")
for
Strongbow Exploration Inc. ("Strongbow" or the "Company")

Containing Information up to and including April 26, 2012

Description of Business

Strongbow Exploration Inc. (the "Company") is a Canadian mineral exploration company focused on exploring prospective gold properties in the Carolina slate belt of the southeastern United States, nickel/copper properties within the Snowbird Tectonic Zone in northern Saskatchewan and the Northwest Territories and gold and copper properties in British Columbia. The Company also continues to review and evaluate new gold and base metal exploration opportunities in North America. Shares of the Company trade on the TSX Venture Exchange under the symbol SBW.

The following discussion and analysis of the Company's financial condition and results of operations for the year ended January 31, 2012, should be read in conjunction with the audited financial statements of the Company for the years ended January 31, 2012 and January 31, 2011, together with the notes thereto. These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The impact of the transition from Canadian Generally Accepted Accounting Principles ("GAAP") to IFRS is explained in Note 17 of the audited, consolidated financial statements of the Company for the year ended January 31, 2012, including the nature and effect of significant changes in accounting policies from those used in the Company's consolidated financial statements for the year ended January 31, 2011.

Unless otherwise noted, all currency amounts are stated in Canadian dollars.

Forward-Looking Statements

This MD&A may contain "forward-looking statements" within the meaning of Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements are made as of the date of this Annual MD&A and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by law.

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events and include, but are not limited to, statements with respect to the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage.

These forward-looking statements include, among others, statements with respect to the Company's objectives for the ensuing year, our medium and long-term goals, and strategies to achieve those objectives and goals, as well as statements with respect to our beliefs, plans, objectives, expectations, anticipations, estimates and intentions. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," and words and expressions of similar import are intended to identify forward-looking statements. In particular, statements regarding the Company's future operations, future exploration and development activities or other development plans and estimated future financing requirements contain forward-looking statements.

All forward-looking statements and information are based on the Company's current beliefs as well as assumptions made by and information currently available to the Company concerning anticipated financial performance, business prospects, strategies, regulatory developments, development plans, exploration and development activities and commitments. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution readers not to place undue reliance on these statements as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in such forward-looking statements.

These factors include, but are not limited to, developments in world financial and commodity markets, risks relating to fluctuations in the Canadian dollar and other currencies relative to the US dollar, changes in exploration plans due to exploration results and changing budget priorities of the Company or its joint venture partners, changes in project parameters as plans continue to be refined; possible variations in ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing, the effects of competition in the markets in which the Company operates, the impact of changes in the laws and regulations regulating mining exploration and development, judicial or regulatory judgments and legal proceedings, operational and infrastructure risks and the additional risks described in the Company's most recently filed Annual Information Form (if any), and the Company's anticipation of and success in managing the foregoing risks. The Company cautions that the foregoing list of factors that may affect future results is not exhaustive. When relying on our forward-looking statements to make decisions with respect to the Company, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by the Company or on the Company's behalf, except as required by law.

Highlights for the year ended January 31, 2012 and subsequent events up to April 26, 2012

- The Company announced complete results for 2011 exploration at the Midway gold property, South Carolina, including the identification of anomalous gold and molybdenum mineralization and related alteration zones at several targets. Further drilling is required to fully evaluate these and other priority targets;

- The Company increased its land holdings in the Ridgeway area of South Carolina, to over 1,300 acres in eighteen properties located along strike to the east of the past producing Ridgeway gold mine. A geochemical survey on one of the properties has defined a prominent gold anomaly coincident with a known gold showing, indicating potential to further expand this showing and also confirming the effectiveness of the Company's geochemical survey techniques;

- The Company continued to evaluate the gold potential of over 130,000 acres of private property in the southeastern United States;

- The Company announced final results from a 1,400 m drilling program at the Parker gold mine property, North Carolina;

- Xstrata Copper Canada completed a nine hole drilling program on the Company's Inza copper-gold property, British Columbia. Drilling confirmed the presence of copper porphyry mineralization associated with a 2,000 m long IP chargeability anomaly;

- Westhaven Ventures completed a seven hole, 614.78 m drilling program at the Company's Shovelnose gold property, British Columbia. Drilling confirmed the widespread occurrence of gold on the property and identified a significant alteration zone that could indicate the presence of an extensive gold bearing system;

- The Company announced the discovery of Cu-Au-Ag mineralization at the Company's Piltz Mountain property, British Columbia including a 2,000 m long gold-in-soil geochemical anomaly and prospecting rock samples ranging from background values up to highs of 0.75% Cu, 1.1 g/t Au and 544 g/t Ag;

- The Company announced the discovery of Cu-Ag mineralization at the Company's Mons Creek property, British Columbia including a 1,200 m copper-in-soil geochemical anomaly and prospecting rock samples ranging from 0.15% Cu to 1.5% Cu; and

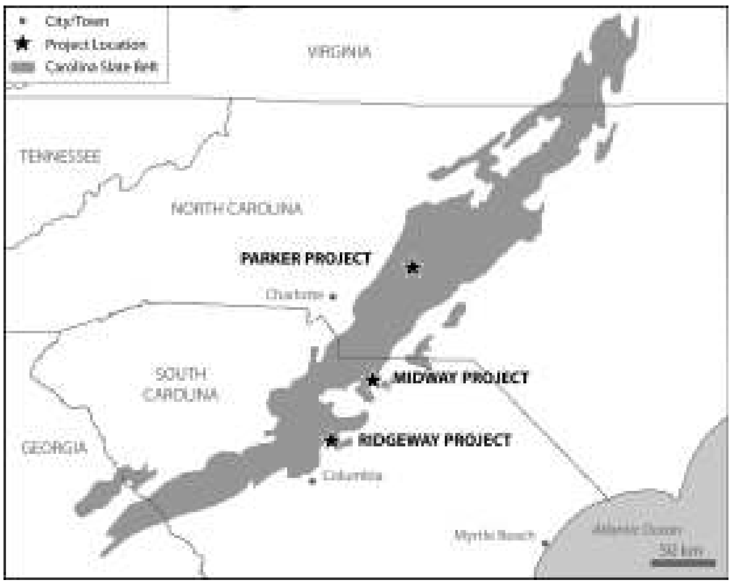
- In March 2012, the Company closed an 8,900,000 unit non-brokered private placement financing for gross proceeds of $1,157,000.

A summary of the exploration activities for the Company follows, as well as a description of other corporate activities. These summaries include some discussion of management's future exploration plans. The reader is cautioned that actual results, performance or achievements may be materially different from those implied or expressed in these statements. The Company's exploration programs are subject to change from time to time, based on the analysis of results and changing corporate priorities, exploration targets and funding considerations.

Exploration Update

Unless otherwise stated below, the Company's gold and base metal exploration activities are conducted under the supervision of David Gale, P.Geo.(BC), P.Geol.(NT/NU), Vice-President of Exploration for the Company and a "Qualified Person" under National Instrument ("NI") 43-101.

During the year ended January 31, 2012, the Company focused its efforts and resources on exploration activities in the Carolina slate belt of the southeastern United States. The Company also continued to evaluate its other mineral property holdings, including the Snowbird and Nickel King nickel-copper properties in the Northwest Territories and Saskatchewan, as well as the Chilcotin, Inza and Shovelnose gold and copper-gold properties, British Columbia.



Carolina Slate Belt Gold Properties – Southeastern USA

During the year ended January 31, 2012, the Company continued to focus its resources on evaluating the Midway gold project and acquiring additional exploration properties within the Carolina Slate Belt ("CSB") in the southeastern United States. The CSB is host to a number of past producing mines including Rio Tinto's Ridgeway mine which had total gold production of approximately 1.5 million ounces. The Company's Midway gold project (described below) is located between and along strike from Romarco Mineral's Haile gold mine and the past producing Brewer gold mine. Measured and indicated resources reported by Romarco for the Haile gold mine consist of 4 million ounces gold with additional inferred resources of 0.8 million ounces gold, and the deposit is currently in the mine permitting stage.

The Company's activities in the southeastern United States consist of three components:

1. Evaluation and continued acquisition of properties within the Midway project along the Haile-Brewer gold trend in South Carolina;
2. The identification and acquisition of historic gold showings or mines within the CSB including the Company's Ridgeway property (described below); and
3. A regional evaluation of the CSB for new, greenfields gold targets.

The Company's exploration activities in the southeastern United States are conducted through Palmetto State Gold, Inc. ("Palmetto"). Palmetto is a wholly owned subsidiary of the Company, incorporated in South Carolina, USA.

Midway Project – South Carolina, USA (Au)

During the year ended January 31, 2012, the Company continued to evaluate and expand the Midway gold project, South Carolina, USA. The project consists of thirty-one option agreements with twenty-eight private land owners covering over 3,400 acres within the Haile-Brewer gold trend. The Haile-Brewer trend extends for over 15 kilometres between the past-producing Haile and Brewer gold mines located within the volcanic and sedimentary rocks of the CSB.

The Midway project includes: 1) over 1,700 contiguous acres covering a 2.5 kilometre strike length in the middle of the Haile-Brewer gold trend; 2) approximately 100 acres adjoining the northeastern boundary of the Haile gold mine property; and 3) over 1,000 contiguous acres directly adjoining the past producing Brewer gold mine to the east and the Buzzard exploration properties of Romarco and Firebird Resources to the southwest. Despite their location along strike from and in close proximity to the Haile and Brewer properties, extensive coastal plain sand deposits cover most of the Midway properties, and, as a result, comparably little past exploration work has been conducted in this area. Importantly, at the Haile gold mine, Romarco has discovered significant gold mineralization beneath the coastal plain sands, including intercepts of 60.7 m grading 11.9 g/t gold and 148.3 m grading 3.6 g/t gold at the Horseshoe deposit. Mineralization at the Horseshoe deposit confirms the potential of the CSB to host additional high grade gold mineralization along strike from the Haile gold mine beneath the coastal plain sands.

The Company has used geochemical survey techniques as a key exploration tool at Midway. Over 2,800 geochemical samples have been collected to date and fifteen discrete geochemical targets have been identified. During the year ended January 31, 2012, the Company completed a ten hole (1,949 m) exploration drilling program intended to test five target areas. At four of the targets, drilling intersected variable widths (centimetre scale up to 32.4 metres) of hydrothermal, sericite-silica-pyrite alteration. Molybdenite and chalcopyrite mineralization is associated with these alteration zones and gold values are locally elevated (from background up to 375 ppb). Drilling of the fifth target was terminated early due to challenging drilling conditions. Four of the five tested targets were located beneath ten to fifteen metres of unconsolidated sand cover. Management is encouraged by the identification of hydrothermal alteration and pathfinder element mineralization with this first phase of drilling as it confirms that a mineralized system is present within the Midway project area and further drilling is required to fully evaluate these targets.

Subsequent to January 31, 2012, the Company completed a four day test program to evaluate the usefulness of sonic drilling technology at the project. A total of five holes were completed and the results were sufficiently encouraging for the Company to proceed with a more detailed overburden drilling program planned for May 2012. This program is intended to rapidly test at least eight geochemical targets in an effort to better define the complex geology underlying the sand deposits in the project area and identify potential mineralization. Results of the overburden drilling will be used to prioritize drill targets for a second phase of follow up diamond drilling. The estimated budget for the overburden drilling program is $120,000 which will be funded using proceeds from the recently completed private placement.

The terms of the option agreements covering the Midway project include certain annual cash payments to the landowners. To keep all of the existing property option agreements in good standing, the Company must make annual payments of US$337,442 during the fiscal year ending January 31, 2013. Please see Note 9 of the annual audited financial statements for the year ended January 31, 2012 for more details regarding the Company's option payments for the Midway project properties. Upon exercising each of the options, the Company will either purchase each subject property or enter into a long term mining lease. The properties will be subject to a gross overriding royalty to the current land owners.

<u>Ridgeway project – South Carolina, USA (Au)</u>

During the year ended January 31, 2012, the Company increased its land position in the Ridgeway project area, South Carolina to over 1,300 acres in 18 properties that are located between two and five kilometres along strike to the east of Rio Tinto's past producing Ridgeway gold mine. The Ridgeway mine produced approximately 1.5 million ounces of gold between 1988 and 1998.

Two of the properties have seen past exploration work, with historic drill results that include gold assays ranging from background values up to 2.3 g/t over 25.9 m from a mineralized zone estimated to be at least 250 m long (the Lloyd zone). An initial geochemical survey completed by the Company has confirmed a prominent 300 m by 350 m geochemical anomaly over the Lloyd zone and also identified a second, 200 m by 300 m anomaly located 600 m to the southwest. The Company plans to complete an overburden drilling program to test both of these targets. The drilling is scheduled for May 2012 and will be completed in conjunction with the program described above for the Midway project. The estimated budget for this drilling is $30,000 and will be funded using proceeds from the private placement completed in March 2012.

Terms of the Ridgeway area property agreements are similar to the agreements at the Midway project and include certain annual cash payments and, upon exercising an option, the Company will either purchase the subject property or enter into a long term mining lease. The properties will be subject to a gross overriding royalty to the current land owners. To keep the existing Ridgeway property option agreements in good standing, the Company must make annual payments of US$87,153 during the fiscal year ending January 31, 2013.

Parker Gold Mine – North Carolina, USA (Au)

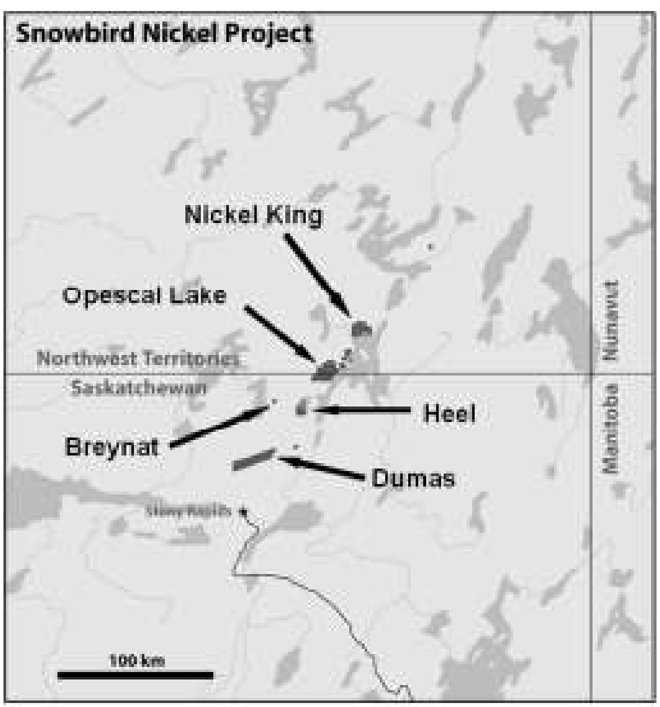
During the year ended January 31, 2012, the Company entered into an option agreement with a private land owner to acquire the historic Parker gold mine located within the Gold Hill mining district of North Carolina, USA. The Parker mine property consists of approximately 300 acres zoned for heavy industrial use, including a mining permit issued by the North Carolina Department of Environment and Natural Resources. The Parker mine option agreement allows the Company to retain an option to purchase the Parker mine property by making payments of US $120,000 to the current owner over a 30 month period (US $80,000 paid during the year ended January 31, 2012). Upon exercising the option, Palmetto can purchase the property for a maximum price of US $10.3 million. The property will also remain subject to a 1.5% gross overriding royalty.

The Parker mine property had never been tested by geophysical surveys or diamond drilling, and in July, 2011, the Company completed an initial 1,400 m, eight hole exploration drilling program intended to test the historic Parker mine workings. Eight holes were completed during the program, all of which encountered narrow zones of weak to moderate silicification and quartz veining. Gold mineralization (ranging from 100 ppb gold up to 9,643 ppb gold) was generally restricted to narrow intervals of less than 2.5 m. The lack of a broad alteration system accompanying gold bearing quartz veins within the project area was disappointing, and consequently, the Company terminated the underlying agreement during the year ended January 31, 2012. As a result, the Company has written off acquisition and exploration expenditures totaling $462,583 on the property.

Regional Exploration – Southeastern United States (Au)

During the year ended January 31, 2012, the Company reached agreements with several private land owners allowing access to approximately 130,000 acres of land within the southeastern United States. The purpose of these access agreements is to allow the Company to explore and evaluate large areas of prospective geology that have previously seen limited to no past exploration work. The Company completed initial high level evaluations of these properties, including the collection of over 3,700 geochemical samples, and a number of target areas have been identified. All of the property access agreements expired during the year ended January 31, 2012, however, efforts are underway to conclude formal option agreements for properties covering these identified targets.

Snowbird Nickel Project Properties – Northwest Territories & Saskatchewan



The Company's nickel exploration strategy is focused on investigating the potential of the southern Snowbird Tectonic Zone ("STZ") to host magmatic Ni-Cu-Co deposits. The STZ is a major crustal scale structure that can be traced for over 2,800 km from the Rocky Mountains in southern Alberta to Hudson Bay in Nunavut and represents an underexplored region prospective for magmatic nickel sulphide deposits. Exploration work completed by the Company has confirmed that numerous mafic-ultramafic intrusions are located along the STZ. Some of these intrusions are known to host nickel-copper sulphide mineralization, including the Company's **Nickel King** deposit, Northwest Territories. Other magmatic nickel deposits located along the STZ include the past producing Rankin Inlet Nickel Mine and the advanced stage Ferguson Lake Ni-Cu-Co-PGE deposit in Nunavut, as well as the Axis Lake occurrence in Saskatchewan.

The Company's Snowbird nickel project

incorporates approximately 40,000 ha of mineral claims and mining leases located along a 185 km strike length of the southern STZ, straddling the Saskatchewan-Northwest Territories border. These properties include the Nickel King project area, as well as the Dumas, Heel, Breynat and Opescal Lake project areas. The Company maintains a 100% interest in each of the properties.

The Company continues to evaluate opportunities to finance further exploration of the Snowbird and Nickel King projects.

Nickel King Project - Northwest Territories

The Company's principal nickel property is the 7,642 ha Nickel King project located in the STZ in the southeastern corner of the Northwest Territories, approximately 135 km northeast of Stony Rapids, Saskatchewan. The project hosts the Nickel King Ni-Cu-Co sulphide deposit where mineralization is hosted within two stacked, south dipping norite sills and has been traced over a strike length exceeding 2,600 m. Initial metallurgical studies indicate the deposit is amenable to traditional processing techniques and capable of producing a final concentrate with grades of 16.5% Ni, 4.2% Cu and 0.74% Co at recoveries of 78.4% (Ni), 89.1% (Cu) and 63.5% (Co). The deposit hosts a NI 43-101 compliant resource of 11.11 million tonnes grading 0.4% Ni, 0.10% Cu and 0.018% Co in the indicated category and 33.06 million tonnes grading 0.36% Ni, 0.09% Cu and 0.018% Co in the inferred category. In an effort to quantify the potential to increase the size of the Nickel King deposit, the Company estimates that a target for future exploration ("TFFE") of between 10 and 27 million tonnes occupies gaps within the NI 43-101 compliant resource estimate where there is insufficient drilling to classify an inferred resource. The reader is cautioned that this estimate of a TFFE is conceptual in nature, that there has been insufficient exploration to define a resource in these areas of the Nickel King deposit and that it is uncertain whether additional exploration drilling will be successful in delineating a mineral resource in these areas. The June 2, 2010 NI 43-101 technical report on the Nickel King project, authored by PEG Mining Consultants, is available for viewing under the Company's profile at www.sedar.com or can be downloaded from the Company's website at www.strongbowexploration.com.

Company management believes the Nickel King deposit is significantly larger than the current resource estimate and could be increased in each of three ways:

1. Through infill drilling within the extent of the current NI 43-101 resource estimate to test areas where the TFFE are currently estimated to be located;
2. By expanding the size of the deposit through step out drilling along strike and up dip from the current NI 43-101 resource estimate; and
3. By discovering new Ni-Cu deposits within the Nickel King area and further to the south within the Snowbird project area.

Company management also believes that potential remains to increase the size of the Nickel King deposit outside of the current resource model. Geophysical and structural modeling suggests that Nickel King mineralization may extend a further 600-700 m along strike to the southwest of the current limit of drilling. The deposit also remains open up dip and along strike to the east, where geophysical surveys suggest mineralization could extend a further 250 m.

During the year ended January 31, 2012, the Company renewed the exploration permit for the Nickel King project. The permit covers exploration camp and diamond drilling programs and is valid for a 5 year period.

The Company's interest in the Nickel King project is subject to two royalties totaling 5% that are payable on production from a portion of the property. The Company may purchase a 3% royalty from one of the royalty holders for $1,500,000. The Company can also purchase half of the remaining 2% royalty from the second royalty holder for $2,500,000. If the Company made both purchases, two of the mineral claims that comprise the property would remain subject to a 1% royalty.

Opescal Lake, Heel, Breynat and Dumas Projects – Saskatchewan/Northwest Territories

The Opescal Lake, Heel, Breynat and Dumas projects comprise the remainder of the Company's Snowbird nickel project properties. Mapping and prospecting surveys of the properties have identified a number of mafic and ultramafic intrusions (norite, pyroxenite, peridotite and gabbro) coincident with, or in close proximity to, identified geophysical and geochemical anomalies. Important nickel-copper sulphide mineralization has been discovered on the Opescal, Heel and Dumas properties, supporting the Company's belief that the southern STZ could host a series of magmatic nickel-copper-PGE sulphide deposits.

British Columbia Gold and Gold-Copper Properties

Inza Property – British Columbia (Cu-Au-Mo)

The Inza porphyry copper gold prospect is located in the Fort St. James area of the Quesnel Trough, in central British Columbia. The 6,104 ha property is located approximately 54 km northwest of Fort St. James and is accessible by a series of logging roads. The Mount Milligan deposit, currently undergoing mine development, is located 40 km to the northeast of the property and the Kwanika deposit is situated 87 km to the northwest. Mineralization at both of these deposits is similar in style to that being targeted at Inza.

In April 2011, the Company entered into an agreement with Xstrata Copper Canada Inc. ("Xstrata"), allowing Xstrata the option to earn up to a 75% interest in the Inza property. In November 2011, the Company reported that Xstrata had forwarded results of the 2011 exploration program. From July to September 2011, Xstrata completed 1,700 metres of drilling in nine drill holes, 40 km of ground IP geophysical surveys, the collection of over 400 soil geochemical samples, as well as geological mapping and prospecting surveys. Initially, a 1,000 m drilling program was planned, however the overall program was expanded considerably based on initial positive drilling results.

Exploration work tested a thirty-five square kilometre area that encompasses two distinct magnetic anomalies (the northern and southern anomalies). Drilling confirmed that the northern magnetic anomaly is associated with a feldspar-hornblende porphyry that intrudes a mixed sequence of Takla Group intermediate volcanic and fine grained sedimentary rocks. The porphyry is comprised of multi-stage intrusive phases and breccias, and consistently contains disseminated pyrite (up to 3%) with local concentrations of visible chalcopyrite and molybdenite. Volcanic and sedimentary wall-rocks are typically hornfels-altered proximal to the porphyry and contain up to 5% disseminated and veined pyrite. Elevated copper, gold and/or molybdenum values were intersected in six of the nine drill holes with values ranging from detection up to highs of 0.12% Cu, 2.2 g/t Au and 0.10% Mo. The bulk of anomalous copper values (defined as >90^{th} percentile) were returned from drill holes testing the northern magnetic anomaly. In particular, drill hole Inza-11-05 returned a 42.5 m zone of elevated copper values within hornfels altered intermediate volcanic rocks. Importantly, this mineralized zone is located at the northern end of an IP chargeability anomaly that extends for over 2,000 metres. Xstrata has indicated that an additional 21.8 line km of IP was completed during 2011, a petrographic study is underway and a 2012 drilling program is planned to further test the deep potential of this porphyry system.

Under the terms of the option agreement, Xstrata may earn an initial 51% interest in the Inza property by making staged cash payments to the Company totaling $100,000 ($50,000 received to date) and incurring cumulative exploration expenditures totaling $1.1 million over a four-year period. Upon vesting at a 51% interest in the property, a joint venture will be formed and Xstrata will maintain the right to earn a further 24% interest (75% interest total) by funding the completion of a pre-feasibility study and a feasibility study or incurring $20 million in expenditures towards the completion of a prefeasibility study and a feasibility study on the property.

Xstrata has indicated to the Company that approximately $200,000 in additional exploration expenditures are needed to reach $1.1 million in expenditures and meet its spending requirement to vest at a 51% interest in the property (subject to paying to the Company the balance of the $100,000 in cash payments also required to complete the option).

Shovelnose Property (Au-Ag)

The Company's Shovelnose gold property is located approximately 175 km east of Vancouver and 30 km south of Merritt along the Coquihalla Highway, which crosses the northwestern corner of the property. The property covers prospective stratigraphy in the southern portion of the Spences Bridge Gold Belt. Gold mineralization, in the form of a series of massive to colloform banded quartz veins and local vein breccia zones, has been identified at several locations within the property, including the Line 6 and Mik showings, where the veins are hosted within moderately to strongly altered felsic volcanic rocks.

In January 2011, the Company announced the signing of an option agreement with Westhaven Ventures Inc. ("Westhaven") whereby Westhaven can earn up to a 70% interest in the property. Westhaven and the Company are related by virtue of a common director. In the Fall of 2011, Westhaven commenced an initial exploration program at the property and expanded the size of the property, through additional staking, to approximately 16,000 ha. Westhaven collected approximately 1,000 soil samples and 169 prospecting rock samples and also completed an initial seven hole, 606 m drilling program.

The seven shallow (80 m to 105 m) drill holes tested the Mik, Line 6 and Tower targets. Drilling at the Mik and Line 6 showings confirmed that gold bearing quartz veins identified at surface can be traced to depth. At the Tower Zone, a broad, 56 metre interval of pyrite and silica alteration occurs within the same silica altered felsic tuff unit that hosts the gold-bearing quartz veins at Mik and Line 6. This alteration zone is anomalous in gold (averaging 0.2 g/t gold) and is interpreted as evidence of a significant mineralized alteration system within the property. In addition to gold, this alteration is associated with elevated arsenic, molybdenum, antimony and mercury, all of which are characteristic pathfinder elements associated with epithermal gold systems.

The Tower Creek valley, a prominent north trending structural feature located between the Tower and Mik zones has been identified as a priority target for further evaluation. Detailed soil sampling along this valley has defined a 1,400 m long zone of elevated gold, arsenic, mercury, antimony and molybdenum. Prospecting conducted during the 2011 program uncovered a heavily veined, pyrite flooded siliceous rock that returned 6.8 g/t gold. This sample was located 300 metres south of a previously reported rock sample that returned 119.0 g/t gold and 271 g/t silver.

Westhaven has indicated to the Company that, subject to financing, it is planning a 2012 exploration program that is anticipated to include an induced polarization ground geophysical survey along the Tower Creek valley, as well as further diamond drilling. The estimated budget for this work is $500,000.

Under the terms of the option agreement, Westhaven can earn an initial 51% interest by: i) incurring $1.5 million in exploration expenditures over a three year period, including a firm commitment to spend $250,000 in the first year of the agreement, and ii) issuing a total of 300,000 common shares to the Company including 100,000 common shares within 5 business days of Exchange approval of the option agreement (received). Within 12 months of having earned its 51% interest in the property, Westhaven will have the option to earn an additional 19% interest (bringing its total property interest to 70%) by: i) issuing an additional 500,000 shares to the Company, and ii) incurring an additional $1.5 million in exploration expenditures.

The 2011 exploration program at Shovelnose was supervised by Kristopher J. Raffle, P.Geo (BC) Senior Geologist for APEX Geoscience Ltd. of Edmonton, AB, who is the qualified person for the project as defined by National Instrument 43-101.

Piltz Mountain and Mons Creek Properties (Au-Cu)

During the year ended January 31, 2012, the Company continued its evaluation of the Piltz Mountain and Mons Creek exploration properties in the Chilcotin region of south central British Columbia (collectively referred to as the "Chilcotin properties"). The Chilcotin properties are situated 90 km southwest of the regional centre of Williams Lake and have excellent access that benefits from a network of logging roads. Brief exploration programs were completed during August, including soil geochemical surveys and prospecting.

At Piltz Mountain, exploration work followed up prospecting rock sample results from 2010 that returned from background values to 0.75% Cu and 0.45 g/t Au. In 2011, a total of 186 soils, 12 stream sediment and 3 rock samples were collected from the property and have helped define several priority copper and gold targets. Two gold-in-soil anomalies, with locally coincident molybdenum, have been identified. The largest of the anomalies extends for 2,000 m and is distinctly associated with an Eocene-aged, tonalite intrusion. Rock samples from the same area returned from detection to maximum values of 0.75% Cu, 1.1 g/t Au and 544 g/t Ag. Mineralization is related to disseminated copper sulphides within the intrusive country rocks and quartz veins. All anomalous rock samples are either in float or subcrop. There is no history of trenching or drilling on the property.

At Mons Creek, a total of 55 soil samples and 5 rock samples were collected in areas targeted for follow up from the 2010 silt sampling program. Results from this work have defined a copper-in-soil anomaly that extends for approximately 1,200 metres. Five rock samples collected proximal to this soil anomaly returned from **0.15% to 1.54% Cu** and from detection to **25 g/t Ag**. Mineralization has been identified in outcrop and subcrop over a 250 m long north-striking trend, and is hosted in both disseminated sulphide-bearing granites and cross-cutting quartz veins.

Management is very pleased with these initial exploration results and planning is underway for a 2012 exploration program that will included follow up grid geochemical sampling and geophysical and bedrock mapping surveys. The estimated budget for this work is $100,000.

Investment in North Arrow Minerals Inc.

North Arrow Minerals Inc. ("North Arrow") is a Canadian exploration company exploring for gold, base metal and diamond resources in North and South America. North Arrow and the Company have two directors in common. As of January 31, 2012, the Company continues to hold 4,819,609 shares of North Arrow as a result of a Plan of Arrangement completed by the Company and North Arrow on May 9, 2007. This amount presently represents approximately 9.1% of the outstanding shares of North Arrow as at April 26, 2012.

Results of Operations

The Company's principal business activity is the acquisition and exploration of mineral properties in the United States and Canada. The Company currently has mineral property interests in the southeastern United States and the Canadian provinces of British Columbia, Saskatchewan, the Northwest Territories and Nunavut.

During the year ended January 31, 2012 (the "**Current Year**"), the Company recorded a loss of $1,863,777 ($0.02 loss per share) as compared to a loss of $1,226,721 ($0.02 loss per share) for the year ended January 31, 2011 (the "**Comparative Year**"). Comprehensive loss for the Current Year totaled $2,125,059 as compared to $1,410,097 in the Comparative Year. The main reasons for the Company's larger loss in the Current Year are an increase in share-based compensation (Current Year - $523,296; Comparative Year - $185,547) and generative exploration costs (Current Year - $338,016; Comparative Year - $16,335). Administrative expenses, excluding generative exploration costs and share-based compensation, decreased in the Current Year to $642,540 from $642,303 in the Comparative Year.

Share-based compensation, a non-cash expense, had the largest impact on expenses (Current Year - $523,296; Comparative Year - $185,547) resulting from the grant of 1,710,000 stock options with a fair value of $518,859 which is recognized over the vesting period of the options, followed by an increase in generative exploration costs (Current Year - $338,016; Comparative Year - $16,335) resulting from exploration activity in the United States where the Company does not yet have the legal right to explore the property (but where it has the property owner's permission to explore the property). Advertising and promotion increased during the Current Year (Current Year - $137,375; Comparative Year - $78,642) as did insurance expense related to the Company's US exploration activities (Current Year - $43,110; Comparative Year - $26,069). The Company also recorded slight increases in regulatory and filing fees (Current Year - $18,626; Comparative Year - $15,796) and professional fees (Current Year - $145,480; Comparative Year - $143,118). Professional fees increased primarily due to legal fees related to the negotiation and execution of property option agreements and additional fees charged by the Company's auditor related to the conversion from CDN GAAP to IFRS. Depreciation (Current Year - $10,153; Comparative Year - $18,073), salaries and benefits (Current Year - $209,207; Comparative Year - $260,696) and office, miscellaneous and rent (Current Year - $78,589; Comparative Year - $99,909) decreased from the Comparative Year as the Company's management sought to minimize administrative expenses in an effort to preserve working capital.

During the Current Year, the Company wrote-off accumulated acquisition and exploration expenses of $462,600, as compared to $477,801 in the Comparative Year mostly related to capitalized exploration expenditures for the Parker Gold Mine property in North Carolina where disappointing exploration results suggest no additional exploration work is warranted. Other factors affected the Company's loss for the Current Year, include interest income (Current Year - $17,467; Comparative Year - $8,840), mineral exploration tax credits recognized as income (Current Year - $39,052; Comparative Year - $Nil), a loss on the disposal of property and equipment (Current Year - $1,921; Comparative Year - $Nil), and a gain on the sale of marketable securities (Current Year - $Nil; Comparative Year – $80,888).

Total assets decreased to $14,694,698 as at January 31, 2012 as compared to total assets of $16,092,644 as at January 31, 2011. Mineral property costs, capitalized as assets, increased to $13,657,201 as at January 31, 2012 from $12,096,800 as at January 31, 2011. The Company reduced its capitalized exploration costs by $150,342 (Comparative Year - $19,693) to record B.C. mineral exploration tax credits of $90,237 (mineral exploration tax credits of $96,180 were received of which $5,943 is recognized on the statements of loss and comprehensive loss), other credits of $105 and property option payments received of $60,000 consisting of cash ($25,000) and common shares ($35,000). A summary of the Company's capitalized exploration expenditures can be found below.

Summary of Exploration Expense

	January 31, 2011	Expended During The Year	Write-off of Costs and Recoveries	**January 31, 2012**
Gold and Base Metal Properties, British Columbia				
Exploration costs	$ 226,211	$ 44,707	$ (150,342)	**$ 120,576**
Acquisition costs	82,991	8,184	-	**91,175**
Geological and assays	83,659	5,599	-	**89,258**
Office and salaries	475,224	47,092	(17)	**522,299**
	868,085	105,582	(150,359)	**823,308**
Gold and Base Metal Properties, NWT& NU				
Exploration costs	7,412,653	42,959	-	**7,455,612**
Acquisition costs	24,814	6,108	-	**30,922**
Geological and assays	273,250	-	-	**273,250**
Office and salaries	1,166,122	24,467	-	**1,190,589**
	8,876,839	73,534	-	**8,950,373**
Gold and Base Metal Properties, Saskatchewan				
Exploration costs	1,136,089	11	-	**1,136,100**
Acquisition costs	84,387	-	-	**84,387**
Geological and assays	20,161	-	-	**20,161**
Office and salaries	234,324	886	-	**235,210**
	1,474,961	897	-	**1,475,858**
Gold and Base Metal Properties, USA				
Exploration costs	234,973	888,034	(283,469)	**839,538**
Acquisition costs	375,025	607,475	(88,276)	**894,224**
Geological and assays	52,247	103,631	(29,830)	**126,048**
Office and salaries	214,670	394,190	(61,008)	**547,852**
	876,915	1,993,330	(462,583)	**2,407,662**
TOTAL	$ 12,096,800	$ 2,173,343	$ (612,942)	**$ 13,657,201**

During the year ended January 31, 2012, the Company wrote-off $462,600 (2011 - $477,801) relating to certain properties and recorded recoveries for B.C. mineral exploration tax credits of $90,237 (January 31, 2011 – $19,693) and other recoveries of $60,105 (January 31, 2011- $18,795).

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 conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties is in good standing.

Selected Annual Information

Unless otherwise noted, all currency amounts are stated in Canadian dollars.

The following table summarizes selected financial data for Strongbow Exploration Inc. for each of the three most recently completed financial years. The information set forth below should be read in conjunction with the audited financial statements, prepared in accordance with IFRS, and their related notes.

		YEAR ENDED	
	January 31, 2012	January 31, 2011	January 31, 2010 (1)
Total interest income	$ 17,467	$ 8,840	$ 65,379
General and administrative expenses, net	$ 1,503,852	$ 844,185	$ 624,162
Write off of mineral properties	$ 462,600	$ 477,801	$ 201,272
Loss from continuing operations:			
- In total	$ (1,863,777)	$ (1,226,721)	$ (487,139)
- Basic and diluted loss per Share	$ (0.02)	$ (0.02)	$ (0.01)
Net income (loss):			
- In total	$ (1,863,777)	$ (1,226,721)	$ 458,374
- Basic and diluted income (loss) per Share	$ (0.02)	$ (0.02)	$ 0.01
Total Assets	$ 14,694,698	$ 16,092,644	$ 14,227,221
Total long-term financial liabilities	$Nil	$Nil	$Nil

(1) Canadian GAAP

Summary of Quarterly Results

The following table sets out selected unaudited quarterly financial information of Strongbow Exploration Inc. and is derived from the Company's unaudited quarterly financial statements prepared by management. The Company's interim financial statements are prepared in accordance with IFRS and are expressed in Canadian dollars.

Quarter Ending	Interest Income	Earnings or (Loss) from Continued Operation and Net Income (Loss)	Basic Earnings (Loss) per share(1) from Continued Operation and Net Income (Loss)	Fully Diluted Earnings (Loss) per share(1) - from Continued Operation and Net Income (Loss)
January 31, 2012	$ (1,858)	$ (252,126)	$ (0.00)	$ (0.00)
October 31, 2011	$ 3,165	$ (713,658)	$ (0.01)	$ (0.01)
July 31, 2011	$ 11,484	$ (534,739)	$ (0.01)	$ (0.01)
April 30, 2011	$ 4,676	$ (363,254)	$ (0.00)	$ (0.00)
January 31, 2011[2]	$ 7,814	$ (395,978)	$ (0.01)	$ (0.01)
October 31, 2010[2]	$ 339	$ (611,606)	$ (0.01)	$ (0.01)
July 31, 2010[2]	$ 239	$ (98,760)	$ (0.00)	$ (0.00)
April 30, 2010[2]	$ 448	$ (120,377)	$ (0.00)	$ (0.00)

(1) Based on the treasury share method for calculating diluted earnings.
(2) Restated IFRS

Current Quarter

During the three months ended January 31, 2012 (the "**Current Quarter**"), the Company's loss totaled $252,126, as compared to a loss of $395,978 in the three months ended January 31, 2011 (the "**Comparative Quarter**"). Administrative expenses at $216,973 in the Current Quarter were lower than the Comparative Quarter expenses of $333,956, with salaries and benefits experiencing the largest decrease (Current Quarter - $74,115; Comparative Quarter - $163,413) due to more technical salaries being capitalized to mineral property costs, followed by a small decrease in office, miscellaneous and rent expense (Current Quarter – $20,870); Comparative Quarter - $28,873). This was offset by an increase in generative exploration costs (Current Quarter - $35,945; Comparative Quarter - $Nil) due to generative exploration activities in the United States.

Liquidity and Capital Resources

Working capital as at January 31, 2012 was $265,557 as compared to $3,790,773 at January 31, 2011. Cash decreased by $2,733,161 in the Current Year (Comparative Year –increased by $2,198,397), to $186,209 as at January 31, 2012 (Comparative Year - $2,919,370). Cash flow used in operations during the Current Year was $897,120 (Comparative Year –$550,088). The most significant changes in non-cash working capital items during the Current Year included a decrease in payables of $48,839 and an increase of $10,415 in prepaid expenses.

The Company's primary investing activity is the acquisition and exploration of mineral properties. During the Current Year, the Company spent $2,202,806 (Comparative Year - $1,131,543) to acquire and explore its mineral property interests and recorded a recovery to its capitalized exploration costs totaling $115,342 (Comparative Year - $19,694), which relates to the receipt of the B.C. mineral exploration tax credits refunds and other credits received during the Current Year. The Company's exploration activities during the Current Year focused on its gold properties in the US. In the Comparative Year, the Company received proceeds of $495,866 (Current Year - $Nil) from the sale of marketable securities.

During the Current Year, the Company received proceeds of $288,781 from 772,500 stock options and warrants being exercised.

In March 2012, the Company completed a non-brokered private placement of 8,900,000 units at a price of $0.13 per unit, for gross proceeds of $1,157,000. Each unit consists of one common share and one common share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share of the Company until September 9, 2013 at a price of $0.20 per common share. As part of this private placement, the Company paid finder's fees of $1,560, and issued 181,200 finder's units. Each finder's unit has the same terms as the units issued as part of the private placement.

As at April 26, 2012, the Company had 5,960,000 outstanding stock options with exercise prices that range from $0.17 to $0.55, if exercised, would increase the Company's available cash by approximately $2.0 million. However, none of these stock options are presently "in-the-money" as the Company's share price is less than the exercise price.

Although the Company had positive working capital of $265,557 as at January 31, 2012, management expects that the Company will require additional financing to conduct further exploration programs on its properties and for future corporate and administrative expenses. The Company's cash totaled $186,209 as at January 31, 2012, subsequent to which the private placement described above was completed in March 2012. The fair value of the Company's marketable securities and investments totaled $21,800 and $626,549 respectively as at January 31, 2012. Please see "*Investment in North Arrow Minerals Inc.*" above for additional information. Due to the size of the Company's shareholding in North Arrow, without significant liquidity for North Arrow, it would be difficult for the Company to sell all or a significant portion of its holdings in North Arrow without adversely affecting North Arrow's share price.

Actual funding requirements may vary from those planned due to a number of factors, including results from exploration activities and the Company's ability to raise additional funds at favourable terms. The Company's ability to generate cash is very much affected by the current market conditions, its share price and third party interest in its assets. In previous years, the Company was able to sell or option its non-core assets, or sell common shares received for these non-core assets, as one means to finance its operations and to further exploration on its mineral property interests. Despite an increase in commodity prices over the last several years, equity financings at the Company's stage of development can be challenging, and result in dilution to existing shareholders. Dilution to existing shareholders from an equity financing increases as the share price decreases. In addition, market volatility and economic uncertainties have the potential to make future financing challenging. The Company has no credit facilities that can be used for ongoing operations because it has no operating cash flow. The funds that the Company does have that aren't required immediately for exploration or overhead expenditures are invested for up to 90 days in Bankers' Acceptance ("BAs") or Bankers' Deposit Notes ("BDN's") to reduce the Company's exposure to credit risk or in Guaranteed Investment Certificates ("GICs") issued by a Chartered Bank and cashable without penalty after 30 days. The Company has no exposure to asset-backed commercial paper nor does the Company have any long-term debt.

The Company's most significant fixed costs relate to its salaried employees, a sub-lease for office space and then the costs associated with maintaining a TSX-V listing. The Company's minimum commitments for its premises and leased exploration equipment total $63,386 for fiscal 2013. Please see the "Commitments" section below for further details. In addition, to keep its Midway and Ridgeway project properties in good standing, the Company must make cash option payments to the landowners of up to US$490,000 annually over the next five years. Failure to make these option payments could result in the loss of the Company's right to further explore or acquire these properties.

The Company has sufficient financial resources to keep its material landholdings and the majority of its non-material landholdings in good standing through to at least December 2012. With respect to the Company's Nickel King project, the current mining leases allow the Company to maintain the Nickel King Main Zone deposit for 17 years at an annual cost of $5,883 per year. The Company's management actively manages its landholdings in an effort to keep landholdings with the greatest exploration potential in good standing for as long as possible. The Company's management regularly reviews its cash position against future plans and makes decisions regarding these plans accordingly. Exploration plans in 2012 will be focused on the Company's Midway and Ridgeway Projects in South Carolina as well as its Chilcotin, BC. The Company will also continue to identify generative exploration opportunities.

The Company's financial statements have been prepared on the basis that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. However, the Company has sustained substantial losses from operations since inception and has no current source of revenue. Continued operations of the Company are dependent on the Company's ability to complete equity financings or generate profitable operations in the future. The Company's financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

Risks and Uncertainties

The Company's financial condition and future prospects are significantly affected by overall economic conditions. The Company has no source of operating revenue and relies on equity financings and, in recent years, the sale of marketable securities acquired from exploration option and purchase and sale agreements to finance its operations and in particular, to further exploration on its properties. Liquidity risk is the most significant risk faced by the Company at the present time, given its early stage of development.

The current low interest rate environment means that interest income cannot materially offset the Company's general and administrative expenses. Historically, the majority of the Company's expenses have been denominated in Canadian Dollars, so its exposure to foreign exchange risk was limited. The Company's foreign exchange exposure has increased with the acquisition of mineral properties in the United States.

The Company has no exposure to asset-backed commercial paper through its short-term investments, which are invested in chartered bank-issued BA's or BDN's or GICs to minimize, to the extent possible, the Company's credit risk. The majority of the Company's receivables consist of sales tax receivables due from the federal government, receivables from companies with which the Company has exploration agreements or options and receivables from related parties. The maximum amount of the Company's exposure to credit risk with respect to its receivables is the carrying value of those receivables as at the financial position date.

The Company's management actively monitors its cash flows and made decisions and plans for 2012 accordingly. The Company's material mineral properties are all in good standing and the Company has sufficient financial resources to keep those properties in good standing for at least twelve months. The Company regularly reviews its landholdings with a view to reducing or consolidating those landholdings to focus on specific areas of interest and exploration potential.

The Company has no long-term debt and, as of the report date, the Company has positive working capital, which will be used to continue to advance the Company's material exploration properties and for future corporate and administrative expenses. However, management expects future equity financings will be required.

Outstanding Share Data

The Company's authorized capital is unlimited common shares without par value. As at April 26, 2012, there were 91,077,163 common shares issued and outstanding.

As April 26, 2012, the Company had the following options and warrants outstanding:

	Number of Shares		Exercise Price	Number Vested	Expiry Date
Options	845,000	$	0.4600	845,000	December 21, 2012
	1,575,000		0.1700	1,575,000	July 26, 2014
	1,760,000		0.2000	1,760,000	September 23, 2015
	70,000		0.4200	52,500	December 22, 2015
	1,710,000		0.5500	855,000	April 29, 2016
Warrants	8,900,000	$	0.2000	8,900,000	September 13, 2013
	181,200		0.2000	181,200	September 13, 2013

Transactions with Related Parties

The Company entered into the following transactions with related parties (See Note 11 of the audited, consolidated financial statements for the years ending January 31, 2012 and 2011):

a) Charged rent and technical services of $92,432 (2011- $134,506) to North Arrow, a company with two common directors.

b) Charged administrative and technical services of $32,618 (2011 - $52,669) to Stornoway Diamond Corporation ("Stornoway"), a company with a common director.

c) Paid or accrued administrative and accounting services of $25,916 (2011 - $30,457) to Stornoway.

Included in receivables are amounts due from North Arrow totaling $14,395 (January 31, 2011 - $22,510; February 1, 2010 - $65,288) for reimbursement of exploration expenditures and shared administrative expenses paid by the Company on North Arrow's behalf.

Included in receivables are amounts due from Stornoway totaling $170 (January 31, 2011 - $2,617; February 1, 2010 - $4,714) for reimbursement of exploration and administrative costs paid by the Company on Stornoway's behalf.

Key management includes the Company's directors and officers. Compensation awarded to key management during the years ended January 31, 2012 and 2011 was as follows:

		Year Ended January 31, 2012		Year Ended January 31, 2011
Salaries and benefits[1]	**$**	**297,881**	$	357,894
Share-based compensation[2]		**386,868**		170,034
Total	**$**	**684,749**	$	527,928

1 – When key management is working specifically on mineral properties their time is capitalized against the mineral property.

2 – Share-based compensation is the fair value of options that have been granted to directors and key management personnel.

Changes in Accounting Policy Including Initial Adoption of IFRS

The Current Year is the first reporting year that consolidated financial statements have been prepared in accordance with IFRS. The Company adopted IFRS in accordance with IFRS 1, First-time Adoption of International Financial Reporting Standards ("IFRS 1") as of February 1, 2011. The first date at which IFRS was applied was February 1, 2010 (the "Transition Date").

The Company's accounting policies adopted under IFRS are presented in Note 3 of the audited, consolidated financial statements for the year ended January 31, 2012. The consolidated statements of financial position, statements of loss and comprehensive loss, statements of changes in equity and cash flows are all presented in accordance with IFRS.

IFRS 1, First-time Adoption of International Financial Reporting Standards ("IFRS 1") sets forth guidance for the initial adoption of IFRS. Under IFRS 1, the standards are applied retrospectively at the transitional statement of financial position date with all adjustment to assets and liabilities taken to retained earnings unless certain exemptions are applied. The Company has applied the following exemptions to its opening statement of financial position dated February 1, 2010:

a) Business Combinations

IFRS 1 indicates that a first-time adopter may elect not to apply IFRS 3, Business Combinations retrospectively to business combinations that occurred before the date of transition to IFRS. The Company has chosen this election and will apply IFRS 3 to business combinations prospectively from the Transition Date.

b) Share-based Payment Transactions

IFRS 1 encourages, but does not require, first-time adopters to apply IFRS 2 Share-based Payment to equity instruments that were granted on or before November 7, 2002, or equity instruments that were granted subsequent to November 7, 2002 and vested before the later of the date of transition to IFRS and January 1, 2005.

c) Estimates

In accordance with IFRS 1, an entity's estimates under IFRS at the date of transition to IFRS must be consistent with estimates made for the same date under previous GAAP, unless there is objective evidence that those estimates were in error. The Company's IFRS estimates as of February 1, 2010 are consistent with its Canadian GAAP estimates for the same date.

Reclassification Within Equity Section

As at February 1, 2010 the "contributed surplus" account was reclassified to "share-based payment reserve" and the "accumulated other comprehensive income" account was reclassified to "investment revaluation reserve" as terminologies differ under IFRS.

Transitional Financial Impact

As a result of the policy choices selected and changes required to be made under IFRS, the Company recorded a decrease in equity of approximately $347,085 at February 1, 2010. Presented below are reconciliations prepared by the Company to reconcile to IFRS the assets, equity, and loss and comprehensive loss of the Company from those reported under Canadian GAAP:

ASSETS	Notes	January 31, 2011	February 1, 2010
Total assets under Canadian GAAP		$ 16,410,304	$ 14,227,221
Adjustments for differing accounting treatments:			
Mineral Properties	(i)	(317,660)	(347,085)
Total assets under IFRS		$ 16,092,644	$ 13,880,136

EQUITY	Notes		January 31, 2011		February 1, 2010
Total equity under Canadian GAAP		$	16,239,192	$	14,094,647
Adjustments for differing accounting treatments:					
Share-based payment reserve	(ii)		71,055		58,278
Deficit	(i)(ii)		(388,715)		(405,363)
Total equity under IFRS		$	15,921,532	$	13,747,562

LOSS AND COMPREHENSIVE LOSS	Notes		Year ended January 31, 2011
Loss under Canadian GAAP		$	(1,243,369)
Adjustments for differing accounting treatments:			
Generative exploration costs	(i)		(16,335)
Share-based compensation	(ii)		(12,777)
Write-off of mineral properties	(i)		45,760
Loss under IFRS			(1,226,721)
Reversal of unrealized gain on marketable securities			(212,775)
Unrealized gain on marketable securities			29,399
Comprehensive loss under IFRS		$	(1,410,097)

Reconciliation Notes

i) *Mineral Properties* – IFRS 6 requires all exploration costs that are incurred before a company has obtained legal rights to explore a specific area to be expensed in the year that they are incurred. Management has determined that under IFRS the Company's accounting policy for exploration and evaluation assets is that exploration expenditures should be expensed and only capitalized to mineral properties after the legal rights have been obtained.

On transition to IFRS, $347,085 of capitalized mineral exploration costs existed at February 1, 2010 and these costs were capitalized before legal title was obtained and have been derecognized and expensed in deficit. Certain comparative figures have been reclassified to conform to the current year's presentation.

ii) *Share-based payment reserve* – The accounting policy under IFRS 2 has been retrospectively applied to all equity instruments granted after November 7, 2002 and that have not vested at February 1, 2010.

IFRS 2 requires share-based payments to be fair valued at the grant date and charged through the statement of loss over the vesting period using the graded method of vesting. The straight line method of amortization, used previously by the Company in accordance with Canadian GAAP, is disallowed. The expense of performance options under Canadian GAAP is typically recognized when the performance criteria are met and is often called "cliff vesting" where all of the expense is recognized upon satisfaction of the performance criteria. However, under IFRS the expense associated with performance options must be spread over the expected vesting period of the performance options.

Commitments

The Company is committed to minimum future lease payments for office premises and leased office equipment through to May 31, 2017 as follows:

Fiscal year ending January 31, 2013	$	63,386
Fiscal year ending January 31, 2014	$	63,386
Fiscal year ending January 31, 2015	$	63,386
Fiscal year ending January 31, 2016	$	63,386
Fiscal year ending January 31, 2017	$	3,857

The Company's lease costs may be reduced due to recoveries through sub-leases.

Off-Balance Sheet Arrangements

Not applicable.

Financial Instruments

The Company's financial instruments consist of cash, short-term investments, marketable securities, receivables, and accounts payable and accrued liabilities. Cash and short-term investments are carried at fair value using a level 1 fair value measurement. The carrying value of receivables, accounts payable and accrued liabilities approximate their fair values due to their immediate or short-term maturity. Marketable securities are recorded at fair value based on the quoted market prices in active markets at the statement of financial position date, which is consistent with level 1 of the fair value hierarchy.

The Company is exposed to a variety of financial risks by virtue of its activities, including credit risk, interest rate risk, liquidity risks, foreign currency risk, and equity market risk. The Company's objective with respect to risk management is to minimize potential adverse effects on the Company's financial performance. The Board of Directors provides direction and guidance to management with respect to risk management. Management is responsible for establishing controls and procedures to ensure that financial risks are mitigated to acceptable levels.

Credit risk

Credit risk is the risk of financial loss to the Company if a counter-party to a financial instrument fails to meet its contractual obligations. The Company manages credit risk by investing its excess cash in short-term investments with investment grade ratings, issued by a Canadian chartered bank. The Company's receivables consist primarily of sales tax receivables due from the federal government and receivables from companies with which the Company has exploration agreements or options. The maximum exposure to credit risk at the reporting date is the carrying value of the Company's receivables and cash.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to interest rate risk with respect to its cash flow. The risk that the Company will realize a loss as a result of a decline in the fair value of any short-term investment included in cash is limited because these investments, although readily convertible into cash, are generally held to maturity.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise the funds required through future equity financings, asset sales, exploration option agreements, or a combination thereof. The Company has no regular cash flow from its operating activities. The Company manages its liquidity risk by forecasting cash flow requirements for its planned exploration and corporate activities and anticipating investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of annual budgets and significant expenditures and commitments. Failure to realize additional funding, as required, could result in the delay or indefinite postponement of further exploration and development of the Company's properties. As at January 31, 2012, the Company had cash of $186,209 available to settle current liabilities of $86,148. Subsequent to the January 31st year-end, in March 2012, the Company completed a non-brokered private placement for gross proceeds of $1.16 million from the sale of 8.9 million units at $0.13 per unit.

Foreign Currency Risk

The Company has exposure to foreign currency risk through its mineral properties in the United States however, the majority of its assets and liabilities are denominated in Canadian dollars (See Note 16 Segmented information, of the audited consolidated financial statements for the year-ended January 31, 2012). The Company's exploration activities and ongoing land tenure expense in the United States make it subject to foreign currency fluctuations, which may affect the Company's statement of financial position and cash flows. The Company is affected by changes in exchange rates between the Canadian Dollar and the US dollar. The Company does not presently invest in foreign currency contracts to mitigate this risk. It is management's opinion that the Company is not exposed to significant foreign currency risk.

Equity market risk

The Company is exposed to equity price risk arising from its marketable securities, which are classified as available-for- sale. The Company plans to sell its marketable securities as market conditions permit, or as is required to finance the Company's operations from time-to-time.

Capital Management

The capital of the Company consists of the items included in capital stock and reserves. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company. The Company's objective for capital management is to plan for the capital required to support the Company's ongoing acquisition and exploration of its mineral properties and to provide sufficient funds for its corporate activities.

The Company's mineral properties are in the exploration stage. As an exploration stage company, the Company is currently unable to self-finance its operations. The Company has historically relied on equity financings and, more recently, asset sales or exploration option agreements, to finance its operations. In order to carry out the Company's planned exploration programs and to pay for administrative costs, the Company will spend its existing working capital and raise additional funds as required. To effectively manage the Company's capital requirements, the Company's management has in place a planning and budgeting process. The Company is not subject to any externally imposed capital requirements.

Additional Disclosure for Venture Issuers Without Significant Revenue

Additional disclosure concerning the Company's general and administrative expenses and mineral property costs is provided in the Company's consolidated statement of financial position, statement of changes in equity, statement of loss and comprehensive loss and the mineral properties note contained in its audited consolidated financial statements for the years ended January 31, 2012 and 2011 prepared in accordance with IFRS. These statements are available on SEDAR at www.sedar.com.

Additional Information

Additional information relating to the Company is on SEDAR at www.sedar.com and is available on the Company's website at www.strongbowexploration.com.

Approval

The Board of Directors of the Company has approved the disclosure contained in this annual MD&A. A copy of this annual MD&A will be provided to anyone who requests it.