MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the six months ended December 31, 2014

February 19, 2015

GENERAL

Benton Resources Inc. ("Benton" or the "Company") was incorporated on November 8, 2011 as 0924698 B.C. Ltd. (renamed Benton Resources Inc. on July 25, 2012) under the laws of British Columbia and is a development stage public company whose shares began trading on the TSX Venture Exchange on August 1, 2012 under the symbol "BEX". Its principal business activities are the acquisition, exploration and development of mineral properties. On July 27, 2012, the Company received certain assets by way of a court-approved plan of arrangement (the "Arrangement") with Benton Capital Corp. (formerly Benton Resources Corp.).

The following discussion of the financial condition and results of operations of the Company constitutes management's review of the factors that affected the Company's financial and operating performance for the six month period ended December 31, 2014. The discussion should be read in conjunction with the condensed interim financial statements for the six months ended December 31, 2014 and the audited annual financial statements of Benton Resources Inc. for the year ended June 30, 2014, including the notes thereto.

Unless otherwise stated, all amounts discussed herein are denominated in Canadian dollars and all financial information (as derived from the Company's audited financial statements) has been prepared in accordance with International Financial Reporting Standards ("IFRS").

FORWARD-LOOKING INFORMATION

Certain information regarding the Company within Management's Discussion and Analysis (MD & A) may include "forward-looking statements" within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical facts, included in this MD & A that address activities, events or developments that the Company expects or anticipates will or may occur in the future, including such things as future business strategy, goals, expansion and growth of the Company's businesses, operations, plans and other such matters are forward-looking statements. When used in this MD & A the words "estimate", "plan", "anticipate", "expect", "intend", "believe" and similar expressions are intended to identify forward-looking statements. Such statements are subject to known and unknown risks and uncertainties that may cause actual results in the future to differ materially from those anticipated in forward-looking statements. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

OVERVIEW OF BUSINESS

The focus of the Company is to seek out and explore mineral properties of potential economic significance and advance these projects through prospecting, sampling, geological mapping and geophysical surveying, trenching, and diamond drilling in order for management to determine if further work is justified. The Company's property portfolio consists of projects focusing on gold, base metals, uranium, and platinum group metals.

FINANCIAL & OPERATIONAL OVERVIEW

Overall Performance

Recent times have witnessed the drastic decline and continued volatility of the global financial markets. Share prices of junior exploration companies listed on the TSX Venture Exchange, including the Company, have experienced a significant impact as a result. Equity financing activity for the junior resource sector, its primary source of capital, is currently extremely difficult to obtain as the level of these financings that occurred in this sector in the most recent quarter declined sharply.

In response to this extreme volatility and uncertainty, the Company has taken several steps to ensure that it will endure the current economic environment and position itself favourably for the recovery by preserving capital. Company management has refocused the planned project expenditures by significantly reducing expenditures directed at new project evaluation and generation. As well, it has carefully budgeted to advance only key projects during this time and as a result, has reduced its field personnel to conserve capital. It has also reviewed its land positions and where favourable, will reduce its claim position to eliminate surplus claims and reduce costs. In addition, the Company has sought and is actively seeking interested partners on many of its projects in order to continue to advance them and conserve capital in the process by forming strategic joint ventures. Finally, the Company has reviewed its corporate overhead expenditures and reduced or eliminated the expenditures on all non-essential corporate costs.

While the Company has no long-term debt and has significant working capital to fund current operations, the timing of the recovery of the financial markets cannot be determined. This will pose a challenge in the interim for the Company to effectively manage its capital through these volatile conditions. The Company also feels that during this time, there will be immense opportunities to add undervalued assets to its portfolio of projects for when the recovery does occur. Management has and will continue to evaluate strategic opportunities to aggressively acquire favourable advanced assets at depressed prices.

Overall, the Company feels it can effectively balance its growth opportunities with its need to conserve capital at this time. Planned project expenditures are continually reviewed to ensure efficient and effective exploration is conducted and if needed, to reduce costs accordingly.

Financial Condition

The Company's cash balance as at December 31, 2014 was $77,079 compared to $110,408 at June 30, 2014 along with $5,501,488 in temporary investments compared to $6,486,202 as at June 30, 2014. Cash and temporary investments decreased during the current period due to general and administrative expenditures incurred during the period and ongoing exploration at the Cape Ray property. Current assets of the Company as at December 31, 2014 are $5,885,313 compared to $6,844,102 as at June 30, 2014. The decrease in current assets was attributable to exploration and evaluation expenditures and general and administrative expenditures incurred during the current period. Total assets as at December 31, 2014 were $12,883,302 compared to $13,617,145 as at June 30, 2014, a decrease related to both general and administrative expenditures incurred during the period and a further decline in the fair market value of the Company's portfolio of long-term investments. Current liabilities as at December 31, 2014 were $44,438 compared to $141,821 as at June 30, 2014, an increase related to increased exploration and evaluation activity undertaken around the period cut off and settled subsequently.

Results of Operations

The loss and comprehensive loss for the period ended December 31, 2014 was $757,514 ($0.01 loss per common share) as compared to a loss and comprehensive loss of $345,763 (nil loss per common share) in the comparative period in the previous year. The substantial change is predominantly due a large gain related to the sale of exploration and evaluation assets in the previous year's comparative period, with no such gain in the current period.

Expenses incurred during the six month period ended December 31, 2014 consist of:

i) Advertising and promotion expenses of $31,427 (December 31, 2013 - $64,986) (decreased in the current period due to reduced marketing activity in an effort to conserve capital in a difficult market)
ii) Share-based payments of $42,554 (December 31, 2013 - $62,355) (recorded upon vesting of stock options to employees, directors and officers and is dependent upon vesting levels in a given period).

iii) General and administrative expenses of $400,138 (December 31, 2013 - $452,908) (includes salaries and benefits as well as office and related costs. Costs declined during the current period due to a greater level of salaries charged directly to exploration and evaluation assets as well as certain wages that were recovered from an option and joint venture partner).
iv) Professional fees of $25,371 (December 31, 2013 - $31,107) (minor decline).
v) Stock exchange and filing fees of $3,843 (December 31, 2013 - $7,175) (dependent upon transactions requiring exchange approval and their timing).
vi) Depreciation expense of $17,092 (December 31, 2013 - $15,091).
vii) Write-down of exploration and evaluation assets of nil (December 31, 2013 - $11,623) (decreased due to substantial write-downs on exploration and evaluation assets in previous periods).
viii) Pre-acquisition exploration and evaluation expenses of $10,135 (December 31, 2013 - $12,786) (increased due to time spent evaluating the Staghorn gold project in the current period prior to executing an agreement to option the property).
ix) Foreign currency translation adjustment of $(32,854) (December 31, 2013 – $3,442) (large swing due to no further exploration activity in the United States as well as a weaker Canadian dollar relative to the United States dollar).

The Company has seen a continual decline in the implicit interest rates of its investments in short-term fixed income instruments throughout the economic downturn. This decline has impacted and will continue to impact the level of interest income that can be earned on these investments as these funds mature and are reinvested.

Cash Flows

The cash used in operating activities was $561,304 for the six month period ended December 31, 2014 compared to cash used in operating activities of $771,994 in the same period in the prior year. Cash used in financing activities was nil for the six month period ended December 31, 2014 as compared to $15,250 used in financing activities the comparative period in the prior year related to shares purchased in the previous year under the Company’s Normal Course Issuer Bid. Cash used in investing activities was $456,739 for the six month period ended December 31, 2014 as compared to cash used in investing activities of $751,338 for the same period in the prior year. This change arose primarily as a result a reduced level of expenditure on the Company’s portfolio of exploration and evaluation assets.

EXPLORATION AND EVALUATION ASSETS

Mineral property acquisition, exploration and development expenditures are deferred until the properties are placed into production, sold, impaired or abandoned. These deferred costs will be amortized over the estimated useful life of the properties following commencement of production, or written-down if the properties are allowed to lapse, are impaired, or are abandoned. It should be noted that unless otherwise stated in the discussion below, any quoted assay widths or intervals are core lengths and do not necessarily represent true thicknesses. The deferred costs associated with each property for the six month period ended December 31, 2014 and the year ended June 30, 2014 are summarized in the tables below:

For the six months ended December 31, 2014

		Saganaga/Q9 (a)	Long Range (b)	Elizabeth Anne (c)	Abernethy (d)	Cape Ray (e)	Other (f)	Total
June 30, 2014 - Acquisition Costs	$	280,953	-	-	13,569	756,820	685,790	1,737,132
Additions		800	-	-	-	76,275	15,210	92,285
Write-downs/Recoveries/Disposals **(h)**		-	-	-	-	-	-	-
Subtotal	$	800	-	-	-	76,275	15,210	92,285
Dec. 31, 2014 - Acquisition Costs	$	**281,753**	**-**	**-**	**13,569**	**833,095**	**701,000**	**1,829,417**
June 30, 2014 - Exploration and Evaluation Expenditures	$	2,021,555	-	-	353,248	959,510	706,807	4,041,120
Assaying		-	-	-	-	40,513	3,422	43,935
Prospecting		432	-	-	-	13,120	13,858	27,410
Geological		351	-	-	-	21,350	82	21,783
Geophysical		-	-	-	-	2,524	-	2,524
Linecutting		-	-	-	-	18,300	425	18,725
Trenching		-	-	-	-	24,018	12,155	36,173
Diamond Drilling		-	-	-	-	441,122	-	441,122
Metallurgy		-	-	-	-	962	-	962
Resource Modeling		-	-	-	-	4,706	-	4,706
NI 43-101 Reporting		-	-	-	-	1,720	-	1,720
Permitting		-	-	-	-	-	-	-
Environmental		-	-	-	-	962	-	962
Compilation		-	-	-	-	21,166	-	21,166
Miscellaneous		1,400	-	-	-	12,400	10,225	24,025
Write-downs/Recoveries/Disposals **(h)**		-	-	-	-	(125,000)	-	(125,000)
Subtotal	$	2,183	-	-	-	477,863	40,167	520,213
Dec. 31, 2014 - Exploration and Evaluation Expenditures	$	**2,023,738**	**-**	**-**	**353,248**	**1,437,373**	**746,974**	**4,561,333**
Dec. 31, 2014 - Total	$	**2,305,491**	**-**	**-**	**366,817**	**2,270,468**	**1,447,974**	**6,390,750**

For the year ended June 30, 2014

		Saganaga/Q9 (a)	Long Range (b)	Elizabeth Anne (c)	Abernethy (d)	Cape Ray (e)	Other (f)	Total
June 30, 2013 - Acquisition Costs	$	280,953	203,130	172,161	13,569	28,490	682,793	1,381,096
Additions		-	-	39,278	-	728,330	36,241	803,849
Write-downs/Recoveries/Disposals **(h)**		-	(203,130)	(211,439)	-	-	(33,244)	(447,813)
Subtotal	$	-	(203,130)	(172,161)	-	728,330	2,997	356,036
June 30, 2014 - Acquisition Costs	$	**280,953**	**-**	**-**	**13,569**	**756,820**	**685,790**	**1,737,132**
June 30, 2013 - Exploration and Evaluation Expenditures	$	2,013,434	1,232,797	2,104,205	353,248	253,565	656,974	6,614,223
Assaying		-	-	17,685	-	36,576	-	54,261
Prospecting		-	-	-	-	121,641	626	122,267
Geological		-	-	33,637	-	126,854	46,406	206,897
Geophysical		-	-	-	-	67,201	2,812	70,013
Linecutting		-	-	-	-	22,288	-	22,288
Trenching		-	-	-	-	23,823	1,200	25,023
Diamond Drilling		1,248	-	40,007	-	230,308	-	271,563
Metallurgy		-	-	-	-	51,849	-	51,849
Resource Modeling		-	-	-	-	26,681	-	26,681
NI 43-101 Reporting		-	-	-	-	23,269	-	23,269
Permitting		-	-	-	-	1,662	-	1,662
Environmental		-	-	-	-	3,783	-	3,783
Compilation		-	-	-	-	15,741	-	15,741
Miscellaneous		6,873	-	7,286	-	10,661	5,585	30,405
Write-downs/Recoveries/Disposals **(h)**		-	(1,232,797)	(2,202,820)	-	(56,392)	(6,796)	(3,498,805)
Subtotal	$	8,121	(1,232,797)	(2,104,205)	-	705,945	49,833	(2,573,103)
June 30, 2014 - Exploration and Evaluation Expenditures	$	**2,021,555**	**-**	**-**	**353,248**	**959,510**	**706,807**	**4,041,120**
June 30, 2014 - Total	$	**2,302,508**	**-**	**-**	**366,817**	**1,716,330**	**1,392,597**	**5,778,252**

(a) Saganaga Lake/Q9 Property

The Saganaga Lake Property consists of mining rights for 100% of 20 claims totalling 51 units and the Company also has earned 100% in one claim totalling 2 units and 99% of 10 claims under option from Wing Resources in the Saganaga Lake area of Thunder Bay. Pursuant to an option agreement dated September 27, 2005, the Company has acquired a 100% interest in the mining claims by paying the vendor a total of $100,000 in cash and issuing 100,000 shares over a four year period (completed). The vendor retains a 3% NSR of which the Company has the right to buy back up to 50% for $500,000 per 0.5% NSR.

The Q9 property is located approximately 160km west of Thunder Bay, Ontario and adjoins the Saganaga Gold property. The project is subject to an asset purchase, sale and royalty agreement dated May 8, 2006 between the Company and Stares Contracting Corp., a company controlled by Stephen Stares, Director and Officer and Michael Stares, Director of the Company, whereby the Company has earned a 100% interest subject to a 2% NSR in the project by making payments of $75,000 cash (paid) and issuing 200,000 shares (issued) over four years.

During the year ended June 30, 2009 the Company completed line cutting on the 100%-owned Saganaga property along with extensive ground geophysics and grid mapping and diamond drilling commenced.

During fiscal 2010, the Company announced drilling results from its drill program that consisted of approximately 2,700m in 20 drill holes. Drill holes SAG09-01 to SAG09-12 tested the historical Powell vein of which 8 holes intersected significant gold values. Drill holes SAG09-13 and 14 tested the Starr zone mineralization below where Teck Cominco Ltd intersected 20.0m grading 5.36 grams per tonne (g/t) gold (Au) in 2006. Both holes intersected significant gold mineralization. Hole SAG09-13 cut 20.5m grading 3.0g/t Au including 4.0m grading 7.3g/t Au and a second lower zone grading 8.26g/t Au over 1.0m. Holes SAG09-15 and 16 were drilled in the North Starr area where significant gold assays were also encountered such as 3.6g/t Au over 4.3m including 2.0m grading 7.2g/t Au in SAG09-16. Not only did the drill program intersect numerous shallow gold zones but it also provided valuable information on the nature and controls of the gold mineralization.

During the year ended June 30, 2012, the Company completed further line cutting, soil sampling, trenching and ground geophysics on the Saganaga property. In addition the Company completed a 16-hole, 2,654m diamond drill program on the property to test recently discovered surface gold mineralization in addition to follow up drilling on the Starr Zone. Drilling on the Starr Zone was designed to outline a potential resource in the Starr Zone area. During the year ended June 30, 2012 the Company announced the results of the drill program on the property. Fourteen of the sixteen drill holes intersected multiple zones of anomalous gold values. Significant results include drill hole SAG12-34 centered near the Starr mineralization and designed to test below a flat lying fault. This hole intersected 5.5g/t gold over 8.2m (core length, from 1.2 to 9.4m) including 11.34g/t gold over 3.8m. Of particular interest was the discovery of a new gold zone contained in a quartz – iron carbonate – fuchsite – pyrite altered ultramafic unit. Drill hole SAG12-28, located approximately 250m to the north-northeast of hole 34 intersected 28.25m (core length) grading 1.00g/t gold including 10m of 2.01g/t gold. This new mineralized zone is relatively shallow at 100m vertically below surface, appears to be shallowly dipping eastward, approximately 20-25m thick, and remains open in all directions. A table of all the drill holes can be viewed on the Benton website.

There was no significant exploration work carried out during the year ended June 30, 2014 or the six month period ended December 31, 2014 as the Company works to conserve capital and focus its exploration efforts.

(b) Long Range Property

The Long Range property is located in central Newfoundland and is the result of a 50%/50% joint venture agreement formed between the Company and Buchans Minerals Corporation (“Buchans”) now owned by Minco PLC and is comprised of claims totaling 222km^2. Buchans is currently operating the project and the Company has informed Buchans that it will not be contributing to any future work programs on the project and will be diluted accordingly.

The Range prospect is located within the north-east portion of the Long Range property. Since completing a 4-hole drill program to test the Range Copper prospect in April 2010, the Companies drilled three more holes in the winter of 2011 that successfully identified the orientation and character of the copper and cobalt prospect. The 3 holes drilled in the winter of 2011 extended the copper-bearing sulphide mineralization over a minimum strike length of 200m, with the zone open in both strike directions and at depth. New assays suggest the overall sulphide abundance, thickness and copper grades may be increasing to the north. Assays from new drilled intersections include hole LR-11- 17 that returned 12.9m (estimated true width) averaging 0.48% Copper (Cu) and 0.023% Cobalt (Co), including 0.91m averaging 2.24% Cu and 0.011% Co. Given the positive nature of these results, the Companies completed additional geophysical surveys and diamond drilling to test the Range prospect in 2011. This work focused on extending the zone to the north and down dip, where potential exists for the zone to expand into a significant copper sulphide deposit. The companies have also identified a significant gold prospect named Goldquest. Sampling of boulders has returned assays up to 123.81g/t Au and 414.2g/t silver (Ag) as well as 104.1g/t Au and 425.7g/t Ag.

During the year ended June 30, 2012, the Company and Buchans provided the results from their initial drill test of the Goldquest gold prospect. The companies drilled eight holes totaling 823m to test mineralized quartz veins in bedrock and float associated with the Goldquest trend, an open-ended 750m trend defined by anomalous gold in bedrock and float. Results include intersections of mineralized quartz veins in the Goldquest North area, including 5.49g/t Au and 4.5g/t Ag over 0.30m as well as 2.13g/t gold and 8.4g/t Ag over 0.10m. All four holes drilled in the North area returned anomalous assays exceeding 0.5g/t gold, intersecting multiple sulphide-bearing quartz veins ranging from centimetres to 0.3m in width. Drilling in the Goldquest South area intersected variably mineralized bedrock containing minor quartz veins with anomalous gold values; however, no large veins similar to the abundant high-grade quartz float discovered by recent prospecting and trenching were intersected in either of the four holes drilled in this area.

The Company has reviewed the results of all previous exploration programs and has determined that it will not continue on in the joint venture. The Company will either look for a party to assume its interest or suffer dilution accordingly as per the underlying agreement should Buchans continue to explore the project. Due to no further work planned and current market conditions for option or joint venture partners, the Company wrote off $1,435,927 in exploration and evaluation expenditures in the 2014 fiscal year. The Company will either sell its interest in the property, suffer dilution under the joint venture or allow the claims to lapse.

(c) Elizabeth Anne Property

The Elizabeth Anne property is located in San Bernardino County, California, USA. The Company acquired the property under the terms of an option agreement dated March 30, 2012 and has the exclusive right to acquire a 100% interest in the property by paying to the vendor $1.2 million of which $90,000 has been paid and the balance of $1.11 million is due over eleven (11) years as follows:

- i) $60,000 on March 30, 2014;
- ii) $70,000 on March 30, 2015;
- iii) $80,000 on March 30, 2016;
- iv) $90,000 on March 30, 2017;
- v) seven annual payments of $100,000 each starting March 30, 2018 and ending on March 30, 2024; and
- vi) $110,000 on March 30, 2025.

The cash payments can be accelerated at the Company’s sole election. In addition, the Company had an obligation to drill, within nine months of the option agreement date, 2 HQ core drill holes to a depth of 1,200 feet on the property which has been fulfilled. The option can be terminated by the Company at any time and no further payments would be required nor would any interest in the project transfer to the Company until the payments are made in their entirety. In addition, the agreement is subject to a 3% NSR of which the Company has the exclusive right to buy back 1.5% for $1.5 million and will hold the exclusive right to match any offer on the remaining 1.5% of the NSR.

During the year ended June 30, 2014, the Company informed the underlying vendor that it would not be continuing with the option agreement and returned the property to the vendor. As a result, the Company wrote off $2,414,259 in exploration and evaluation expenditures related to the project. The Company has no further commitments with respect to the property.

(d) Abernethy Property

The Abernethy property is located 10km southwest of Kenora, Ontario. The Company acquired through staking, a 100% interest in the property, which consists of 9 claims totaling 67 units.

It covers a historically defined 640m long and up to 210m wide electromagnetic conductor outlined by Hudson Bay Exploration and Development Co. Ltd. in 1974. The anomaly was tested by Hudson Bay with a single drill hole that intersected anomalous gold throughout, including one section that returned 17.8g/t Au over 1.52m. Subsequently in 1987 the project was acquired by Mingold Resources Inc. who further tested the same zone with two diamond drill holes spaced 61m apart. This drilling also intersected significant anomalous Au throughout both drill holes including 6.30g/t Au over 6.1m in drill hole ABE-1 and 1.62g/t Au over 6.7m (including 10.0g/t Au over 0.61m) in drill hole ABE-3. Research of historical assessment work filed with the provincial government indicates there are only three historical drill holes in the electromagnetic conductor suggesting the zone is open at depth and along strike in both directions. Recent forestry logging operations have opened access to several areas within the claim group providing good infrastructure. Benton completed a 1,400m drill program in 2011.

The program identified a large gold system of multiple gold-rich horizons that measures more than 500m in strike length and up to 77m core length in width. The system is open in all directions. Benton's drill campaign was successful in confirming and expanding the mineralization in strike length and at shallow depths. The gold mineralization warrants further drilling to test the full extent, grade and potential of this new discovery. Based on the limited shallow diamond drilling completed to date the mineralization appears to be a large gold system with multiple parallel zones.

Hole ID	From	To	Core length (m)	Grade (g/t Au)
ABE11-01	102.4	103	0.6	4.48
and	121.15	127	5.85	2.63
includes	125.5	127	1.5	7.78
and	151.7	153.2	1.5	1.69
ABE11-03	46.5	49.5	3	0.98
ABE11-04	94.4	96.1	1.7	1.85
and	110.8	115.2	4.4	2.56
includes	110.8	112.3	1.5	6.96
and	133.5	134.05	.55	1.22
ABE11-05	70.9	73.4	2.5	0.34
ABE11-06	117.75	130.7	12.95	0.45
includes	117.75	119.7	1.95	1.46
and	128.1	130.7	2.6	0.78
ABE11-07 *	123.5	216	92.5	0.46
includes	156.5	164	7.5	2.24
ABE11-08	4.9	10.45	5.55	0.48
and	66.25	67.75	1.5	1.22
ABE11-09	39.25	41.7	2.45	0.82
and	75.5	76.4	1.32	0.9
and	127.75	131.5	3.75	0.48

The Company has no current exploration plans for the project and will seek to secure a partner or sell the project.

(e) Cape Ray

Windowglass Hill and 51 Zone Deposits

During the year ended June 30, 2013, the Company signed a binding letter of intent with Cornerstone Capital Resources Inc. ("Cornerstone") to acquire up to a 75% interest in Cornerstone's Windowglass Hill and 51 Zone deposits (collectively the "Property"), located approximately 25km northeast of the town of Port aux Basques in southwestern Newfoundland. The Property consists of a single 183-claim mineral license, which covers an area of 4,575 ha. To earn the initial 70%, the Company must make cash payments totaling $125,000 ($20,000 paid on signing), issue 155,000 common shares of the Company (25,000 shares paid on signing) and incur expenditures totaling $2 million, all over a period of four years. The Company can earn the additional 5% (taking its interest to 75%) by incurring an additional $1 million in exploration expenditures at its sole election but such election must be made within a period that is 18 months from the date that the Company's interest vests at 70%.

On July 4, 2013, the Company announced that it had amended its original agreement with Cornerstone, which allowed the Company to acquire a 100% interest in the Cape Ray Gold project by making a one-time payment of $200,000 (subsequently paid) and by issuing 350,000 common shares (subsequently issued) of the Company. Cornerstone will retain a 0.25% NSR, which will result in there being a total of 2% NSR on the project of which the Company has the right to purchase back 1% for $1 million.

The Property covers a 22km-long strike length of the Cape Ray Fault Zone, a significant gold-bearing structure, which in addition to the WGH and 51 Zones, is associated with Tenacity Holdings Inc.'s 04 and 41 deposits and Marathon Gold's Leprechaun Deposit. Marathon recently announced an NI 43-101 compliant mineral resource estimate including of 424,000 ounces Au (M&I) and 305,000 ounces Au (Inferred).

In 2012 Cornerstone announced the results of an initial NI 43-101 compliant mineral resource estimate for the WGH and 51 Zone deposits (see Cornerstone PR dated July 18, 2012). The mineral resource estimate was prepared by Mercator Geological Services Limited of Dartmouth, Nova Scotia and was completed on the two separate mineralized zones. The estimate is based on three-dimensional block models developed using Gemcom Surpac™ 6.1.4 modeling software and the validated results of 26,480m of historical diamond drilling from 197 drill holes completed between 1977 and 1996, with an additional 2,520m of diamond drilling in 28 holes completed by Cornerstone between 2004 and 2006. Mineral resources for the 51 Zone and WGH are reported, respectively, on the basis of an assumed underground (2.5g/t Au cut-off) and open pit (0.5g/t Au cut-off) development potential.

Highlights:

- Mineralization is relatively shallow at a maximum of 270m vertically below surface for the 51 Zone and 140m for Windowglass Hill
- Opportunities exist to upgrade and expand the mineral resources

Summary of Mineral Resources for the 51 Zone and Windowglass Hill, Cape Ray Project (Mercator, July 16, 2012).

Deposit	Resource Category (Cut-off Grade)	Tonnes (Rounded)	Gold Grade (g/t)	Silver Grade (g/t)	Contained Au (oz)	Contained Ag (oz)
51 Zone	Inferred (2.5g/t Au)	530,000	6.1	15.86	103,943	270,253
Windowglass Hill	Inferred (0.5g/t Au)	1,810,000	1.77	11.28	103,001	656,415

During the year ended June 30, 2013, the Company announced that it received assay results from the newly-identified PW Zone where re-sampling of two holes drilled in 1979 has confirmed the presence of bulk tonnage type gold grades and thicknesses. The two holes were drilled approximately 150m apart and show good continuity of gold associated with a granitic intrusive unit interpreted to be the possible extension of the Windowglass Hill (WGH) deposit located 1.2km to the southwest. Drill hole PB79-128 intersected 2 separate mineralized zones grading 1.64g/t Au over 28.96m (including 4.68g/t Au over 6.25m) and 1.18g/t Au over 21.34m. Drill hole PB79-133, located approximately 150m along strike to the NE returned 1.38g/t Au over 20.73m including 7.86g/t gold over 2.44m.

A table comparing the composited assay results for historic and current re-sampling is provided below:

Hole	From (m)	To (m)	Interval (m)	1979 Au g/t	Re-sampled Au g/t
PB79-128	24.38	107.29	82.91	0.91	**0.86**
incl	24.38	53.34	28.96	1.64	**1.59**
incl	24.38	30.63	6.25	4.68	**5.30**
incl	27.43	28.96	1.53	16.46	**19.50**
and	80.77	102.11	21.34	1.18	**1.13**
PB79-133	73.15	93.88	20.73	1.38	**1.53***
incl.	91.44	93.88	2.44	7.86	**10.36***
incl.	92.87	93.33	0.46	39.43	**39.43***

* Includes interval from 1979 sampling (92.87 to 93.33m – 0.34% of core) which is now missing from core storage

The two holes, which are stored at the Newfoundland and Labrador government core storage facility located in Pasadena, were quarter cut and submitted to Eastern Analytical Laboratories located in Springdale, Newfoundland. The Company plans to re-log and re-sample the remaining two holes associated with the PW Zone as soon as possible. In addition, the company has commenced the rehabilitation of the access road to the property, which will provide easy and cost effective access for upcoming IP survey work and grid re-establishment, as well as future diamond drilling.

During the year ended June 30, 2014, the Company announced that detailed modeling of the 51 Zone suggests that the bulk of the mineral resource lies within 65m of surface in a shallow plunging mineralized shoot. The Company is currently studying the economics of a shallow open pit mine to exploit this resource and to produce on-site a saleable metal concentrate by way of dense media separation (“DMS”) and/or gravity concentration. The production of a concentrate through DMS would eliminate the need for a capital intensive conventional mill and would substantially lower production costs thus making a small-scale mining operation potentially economic. The Company has recently collected a 150kg mini-bulk sample from a trench over the zone and has contracted Met-Solve Laboratories in Langley, B.C. to complete the metallurgical testing to determine the recoverability and value of the concentrate through the DMS process. As a check, nine samples totaling 20kg of this same material was sent to Eastern Analytical labs in Springdale, NF for assaying. The average grade of the nine samples returned 8.62g/t Au, 33.34g/t Au, 1.73% Pb, 0.72% Zn and 0.22% Cu. Given the exceptional grades of the trench sample and of the historic resource, the shallow depth of mineralization and the potential to create an on-site, low-cost, high-value concentrate, the Company believes the 51 deposit may have the potential to be a viable stand-alone profitable operation.

Highlights of the initial metallurgical testwork results are shown in tables below:

Table I: Overall Recoveries (combined from DMS and Gravity Concentration)

Flowsheet	Specific Gravity Cut Point	Gold Rec. (%)	Silver Rec. (%)	Lead Rec (%)
1	2.93	68	64.1	77.9
2	2.83	76.9	71.4	81.1

The Company is very encouraged by these results and additional work to optimize concentrate recoveries is ongoing. These tests include testing finer crush sizes for the DMS feed (the above results were achieved using a maximum crush size of 1.9cm) and testing a finer grind of feed for the Falcon concentrator. Flow sheets of the process can be viewed on the Company’s web site.

In addition during the 2014 fiscal year, the Company announced that it has received the first batch of soil geochemical and prospecting results from ongoing exploration on the Cape Ray Project. To date the exploration surveys have been quite effective in delineating anomalous zones of mineralization and have identified a distinct 600m long by 150m wide Au-Pb-Zn-Ag geochemical anomaly (trace to 801ppb Au, 2 to 561ppm Pb, 3 to 326ppm Zn, trace to 4.1g/t Ag) associated with a distinct magnetic low signature similar to that associated with the 51 deposit situated 600m along strike to the northeast. Very little historical drilling has been completed in this new geochemically anomalous area, which remains open along strike to the southwest. Efforts are currently underway to expand the grid and soil survey to determine the limits of the anomalous mineralized area. Additionally, prospecting has returned gold assays near, and along strike from, the PW zone, which ranged from trace to 69.8g/t Au, 9.4g/t Au, 5.0g/t Au and 8.9g/t Au in select grab samples in the area where an Induced Polarization geophysical survey was recently completed.

During the year ended June 30, 2014, the Company commenced drilling on the property. The drill program was designed to test various targets including the west extension of the 51 Deposit, new geophysical, gold-in-soil, and bedrock showings west of the 51 Deposit area and the east and west strike extension of the PW Zone.

During the period ended December 31, 2014, the Company completed the abovementioned drill program with a total of 3,051.6m of drilling in 17 exploratory holes. While most holes were designed to test for new gold mineralization outside the known resources, two holes PB14-393 and 394 were successful in confirming the continuity of gold mineralization between the 04 and 41 deposits indicating that there is potential to merge the two deposits into one and thus increasing the overall resource. In addition, two holes totaling 212m were drilled into the 04 deposit for metallurgical purposes. A table of assays and intervals related to the 2014 drill campaign is as follows:

Hole ID	**From**	**To**	**Interval**	**Gold (g/t)**	**Silver (g/t)**
PB14-378	No significant assays				
PB14-379	80	83	3	0.414	trace
PB14-380	42.5	43.1	0.6	0.727	1.5
PB14-381	No significant assays				
PB14-382	Lost Hole				
PB14-383	186.8	190.9	4.1m	0.323	
	187.4	188	0.6m	1.49	
PB14-384	Lost Hole				
PB14-385	**1.5**	**153.8**	**152.3**	**0.27**	**1.1**
	84	**107.55**	**22.25**	**0.80**	**2.75**
	85.3	**91.9**	**6.6**	**1.0**	**4.0**
	106	**107.55**	**1.55**	**5.0**	**14.8**
	127	**128.5**	**1.5**	**4.9**	**5.4**
PB14-386	134	135.5	1.5	0.54	0.7
PB14-387	**78.2**	**121**	**42.8**	**0.84**	**4.4**
	109	**121**	**12**	**2.45**	**10.5**
	117.5	**121**	**3.5**	**7.02**	**16.7**
PB14-388	No significant assays				
PB14-389	No significant assays				
PB14-390	No significant assays				
PB14-391	111.9	112.9	1	0.86	0.8
PB14-392	No significant assays				
PB14-393	131.2	132.2	1	2.18	5.2
	172.5	173.6	1.1	6.89	60.5
Incl	172.5	173.1	0.6	12.4	108
	254.6	257.2	2.6	0.57	13.0
Incl	256.2	257.2	1	1.24	10
PB14-394	172.2	174	1.8	2.07	2.45
	182	182.5	0.5	2.2	5.2
M14-01*	53	66	13	13.37	22.0
M14-02*	21	39	18	15.16	13.25

All "PB" hole thicknesses are core length
*M14-01/02 drilled for metallurgical purposes in known mineralization (true thickness is approx. 80% of core length)

Cape Ray East

The 100% owned Cape Ray East Property was acquired by staking and is comprised of 510 contiguous claims. The property is located approximately 30 km northeast of Port aux Basques, southwestern Newfoundland, at the southernmost point and continues in a northeast and easterly direction for approximately 40 km.

04, 41, Isle Aux Mort and Big Pond Deposits

On October 8, 2013, the Company announced that it has entered into an option agreement with Tenacity Gold Mining Company Ltd. to purchase a 100% interest in four mining claims which encompasses the 04 , 41 , Isle Aux Mort and the Big Pond gold deposits located in southwest Newfoundland. The Company received regulatory approval and has paid $400,000 and issued 1.5 million common shares and will issue a further 1.5 million common shares in 12 months (for a total of 3 million common shares). The claims being acquired are subject to a sliding scale net smelter returns royalty (NSR) on the production of metals: a 3% NSR on production when gold is below $2,000 per ounce; a 4% NSR when gold is from $2,000 per ounce or more but less than $3,000 per ounce subject to the right of the Company to buy back 1% for $500,000; and a 5% NSR when gold is $3,000 or above subject to the right of the Company to buy back 1% for $500,000.

Previous exploration efforts on the four deposits have outlined historic resources grading 3.7g/t containing 241,700 ounces of gold with silver and base metal credits. It should be noted that the resource estimates for the four deposits totaled here were estimated prior to NI 43-101 and the CIM guidelines and as such should only be considered from a historical point of view and not relied upon. A qualified person has not completed sufficient work to classify the historical estimates as current mineral resources. These claims are contiguous to the 51 and Window Glass Hill deposits, which combined, do contain an NI 43-101 compliant inferred resource of 206,000 ounces gold and 926,000 ounces silver with base metal credits. The 04 and 41 deposits are situated only 500m northeast of the 51 deposit and collectively have been historically referred to as the Cape Ray deposit. The Company intends to conduct the necessary work in order to bring the resources into NI 43-101 compliance.

Subsequent to September 30, 2014, the Company announced that it had made its final payment of 1.5 million common shares to Tenacity Gold Mining Company Ltd. which completes the terms of the agreement to acquire a 100% interest in the abovementioned four mining claims.

Nordmin Engineering

During the period ended December 31, 2014, the Company announced that it has entered into a letter of intent ("LOI") with Nordmin Engineering Ltd. ("Nordmin") to advance towards production four of the six gold deposits at the Company's Cape Ray project located in southwest Newfoundland, should the economic viability of the project be determined. The 04, 41, 51 and Windowglass Hill deposits (the "Project") are included in the LOI while the Isle Aux Morts and Big Pond deposits will be retained 100% by Benton. Pursuant to the LOI, Benton and Nordmin will form a joint venture pursuant to which Nordmin will have the right to earn up to a 50% interest in the Project through a series of expenditures and services to be provided.

Upon signing the LOI, Benton will form a wholly-owned subsidiary (pending), ("SubCo B" for illustrative purposes) and transfer 100% of Benton's property rights in the Project to SubCo B. Nordmin may then earn up to 50% of the Project held by SubCo B by completing a series of work commitments and project milestones which advance the Project towards production as follows:

- Benton will lead the exploration effort for the Project which will be funded by Nordmin up to the completion of the Feasibility Study. This includes any infill drilling to allow the deposits to be brought up to National Instrument 43-101 status ("NI 43-101"). The necessity for further exploration will be determined and approved by the management committee;
- Nordmin will, to earn a 5% interest, make a $250,000 cash payment in two tranches to SubCo B which will go towards the current exploration program. The first tranche of $125,000 will be advanced upon signing of the LOI (accrued and subsequently received) and the second tranche of $125,000 within six months of signing;
- Nordmin will, by August 31, 2015 to earn a further 15% interest, fund and provide the services required to complete NI 43-101 resource estimates for the 04, 41, 51, and Windowglass Hill deposits, produce a resource model, a preliminary economic assessment (PEA), complete a detailed assessment

of the Geology, Mining, Metallurgy, Environmental, Engineering, Construction, Economics and Schedule for the Project;

- Nordmin will, by August 31, 2016 to earn a further 10% interest, complete the Environmental Assessment and Impact reviews, and secure the necessary permits for a mine, mill and related plant in order for the Project to move forward;
- Nordmin will, by August 31, 2017 to earn a further 10%, complete a feasibility study for the Project (detailing and advancing all of the same issues within the PEA);
- Nordmin will, by August 31, 2018 to earn a further 10% interest, complete detailed design of the mine, mill and related plant and work to arrange a minimum of 50% of the Project financing;
- Nordmin will assume operatorship of the Project upon signing;
- Nordmin will provide the procurement, project and construction management for the Project, including commissioning and start-up. The costs and fees associated with this effort will be part of the Project financing;
- Nordmin must spend a minimum of $4.5 million of expenditures and equivalent services, with any excess going towards Project development;
- Should Nordmin fail to earn a 50% interest, operatorship will revert back to Benton;
- Should Nordmin not participate in the Project development on a pro-rata basis after the earn-in period, Nordmin will suffer a standard dilution to their pro-rata interest – such clause also applies to Benton; and
- The intent is that the work proposed within the LOI will be completed in a minimum of three (3) years and a maximum of five (5) years, dependent upon market conditions or other outside and uncontrollable situations.

In the event that Nordmin only earns a 5% interest the parties will not form a Joint Venture and Nordmin's interest will be a 0.5% NSR which can be purchased by Benton for $200,000. If Nordmin only earns a 20% interest and gets diluted to less than 10% their interest will be converted to a 0.5% NSR one-half of which can be purchased by Benton for $400,000. If Nordmin only earns between 20% and 49% interest and gets diluted to less than 10% their interest will be converted to a 0.5% NSR can be purchased by Benton for $600,000. If Nordmin earns a 50% interest and gets diluted to less than 10% their interest will be converted to a 1% NSR, 0.5% NSR, one-half (0.5%) of which can be purchased by Benton for $1,000,000.

Subsequent to December 31, 2014, the Company and Nordmin executed a formal agreement in accordance with the above terms and Nordmin advanced $125,000 to the Company as its first tranche payment for Nordmin's initial 5% interest.

Benton will continue to evaluate the Company's 100% owned Isle Aux Morts and Big Pond deposits as well as investigate other gold mineralized showings such as the Sleeper Gold Zones located between the Big Pond and Windowglass Hill deposits.

(f) Other Property

Other Property consists of several early stage projects and projects that the Company is evaluating for exploration potential at June 30, 2014. Included in Other Property are certain projects that are subject to agreements that are more fully described below.

(i) Kingurutik Lake Property

The Kingurutik Lake property was acquired 100% by staking in late October 2006. The Property is located approximately 60km north of Voisey's Bay, Labrador and consists of 488 claim units.

In 2007 the Company entered into a Participation Agreement with Teck Resources Ltd. ("Teck") whereby the Company and Teck formed the Kingurutik Lake project by amalgamating and jointly exploring certain of their land positions in Labrador. The project is located approximately 60km north of the Voisey's Bay copper-nickel deposit and consists of 488 claim units held by the Company, (previously known as the NBK property), and 266 claim units held by Teck.

Under the terms of the Agreement, Teck completed a private placement financing with the Company during a previous fiscal year whereby the Company issued 1,000,000 common shares at $0.70 per share for total proceeds of

$700,000, which resulted in the Company and Teck each holding a 50% interest in the combined properties. The Company then agreed to fund the initial $600,000 in exploration work to be carried out by Teck. Teck then had the option to increase its interest in the property to 60% by incurring an additional $4 million in expenditures over the initial three years with an additional right to increase its interest to 70% by incurring an additional $7 million in expenditures (for a total of $11 million) over a further three years.

During the year ended June 30, 2009, the Company was advised that Teck Resources mobilized a ground geological and geophysical crew to evaluate strong conductive zones identified from the recently flown AeroTEM II airborne survey on the remaining ground not covered by the 2007 survey on the property. The ground crew conducted mapping, sampling and ground geophysics with hope of discovering new nickel and copper mineralization in addition to mineralization discovered as part of the previous airborne follow-up program.
During the 2009 fiscal year, Teck notified the Company that it has elected to exercise its option to increase its interest in the project to 60% by incurring the aforementioned expenditures. However, during fiscal 2010, Teck informed the Company that it did not fulfill its expenditure requirement under the 60% option and would not be participating in future exploration programs. The Company assumed operatorship and would dilute Teck's interest accordingly.

To date a total of 324 grab samples have been collected from numerous conductive target areas identified by the 2007 survey. The selected samples from many of the targets returned encouraging nickel, copper, and cobalt values. Ground geophysical (UTEM) surveying over one of the targets, target "P", detected a strong conductive response that may form part of a future drill program.

During the year ended June 30, 2010, the Company announced that it would commence drilling on the property. The drill program was comprised of 12 holes totaling approximately 3,000m to test the various targets outlined by Teck's work programs.

During the year ended June 30, 2011 the Company received assay results from the drill program. Several of the drill targets tested intersected magmatic sulphide mineralization that returned significant amounts of nickel, copper, and cobalt values that suggests further work is warranted to evaluate the size of these mineralized zones. Of particular interest was the results from the A Zone area that was tested with a single drill hole (KL10-11). This hole intersected multiple intervals of semi-massive sulphide with several sections grading better than 1% nickel and 1% copper.

The Company in conjunction with Teck significantly reduced the land position during the year ended June 30, 2012 in order to maintain the ground in good standing and eliminate portions of the property that did not yield favourable results or warrant any further work. The Company does not currently have any planned exploration on the property and has not been notified by Teck that they have any proposed work for the project. The Company will work closely with Teck on any future decisions regarding the property.

(ii) Forester Lake

The Forester Lake property was acquired by staking, is owned 100% by the Company and consists of 21 claims totaling 272 units and is located approximately 100km north of Pickle Lake, Ontario. During the 2011 fiscal year, the Company entered into an agreement with Parkside Resources Corp. ("Parkside) granting Parkside the right to earn a 60% interest in the property. Under the terms of the agreement, Parkside must pay the Company $50,000 in cash ($30,000 received), issue to the Company 1 million Parkside common shares (received) and expend $300,000 on the property over a period of three years with a minimum of $100,000 to be spent in each 12 month period of the three year period. Parkside can earn an additional 10% (70% total) by expending an additional $700,000 on the property over an additional three year period. In addition, the Company provided Parkside with $200,000 in equity financing in fiscal 2011 (including $150,000 in flow-through financing) and $200,000 in the current year ended June 30, 2013 in exchange for an additional 4 million common shares of Parkside (taking the Company's share position to 5 million shares). During the year ended June 30, 2013, Parkside commenced trading on the TSX Venture Exchange under the symbol "PKS".

The ground was acquired due to its location and geophysical similarities to the Musselwhite Gold mine located 25km north-west of the property. Historic drilling intersected mineralization grading up to 16.2g/t Au over 0.5m, 12.3g/t Au over 1.5m and 13g/t Au over 0.9m. Benton completed an 897 line-km airborne magnetic survey to help define exploration targets.

(iii) Onion Lake Property

The Onion Lake property was acquired by staking and consists of 105 claims totaling 1,198 units and is located 30km north of Thunder Bay, Ontario. In fiscal 2010, the Company entered into an agreement with Glory Resources Limited (“Glory”), which grants Glory the right to earn an initial 30% interest in the property (earned) by paying the Company $95,000 cash (received) and expending $500,000 on the property over a period of two years following the effective date (expended). Glory can earn an additional 30% (taking interest to 60%) by expending an additional $1.8 million on the property over an additional two year period (currently earning). Glory may earn an additional 10% (taking interest to 70%) by expending an additional $1.5 million on the property over an additional 18-month period.

During the year ended June 30, 2014, the Company and Glory amended their agreement whereby Glory would return the project to the Company 100% and as such, Glory would forfeit its 30% earned interest and pay the Company $80,000 in order to return the claims to the Company in a deficient state. The Company assumed the responsibility of bringing the claims into good standing and subsequently submitted the required assessment.

The Company will seek a new partner for the project.

(iv) Mealy Property

During the year ended June 30, 2014, the Company acquired through staking a total of 1,017 claim units representing approximately 261 square-kilometres within the Mealy Lake intrusion (the “Mealy Project”) in Labrador. On August 16, 2013, the Company executed an option agreement with Platinum Group Metals Ltd. (“PTM”) on the Mealy Project whereby PTM can earn a 71% interest in the Mealy Project by paying to the Company $51,000 (received) on the effective date (the “Effective Date”) and by incurring an aggregate of $2.4 million in exploration expenditures on the Mealy Project as follows:

- $300,000 on or before the date, which is 12 months from the Effective Date (incurred);
- a further $300,000 on or before the date, which is 24 months from the Effective Date;
- a further $400,000 on or before the date, which is 36 months from the Effective Date;
- a further $1.4 million on or before the date, which is 48 months from the Effective Date.

The Company will retain a 1% NSR on the Mealy Project and PTM will be the operator while it holds a majority interest.

The Mealy Project covers 261 square-kilometres of the Mealy Lake mafic intrusion and is contiguous to Altius Minerals Corp.’s (“Altius”) 256 square-kilometre Natashquan property, both located approximately 140km southwest of Churchill Falls in Labrador. The Mealy Project covers the same mafic intrusive rock that hosts Altius’ recently announced new Ni-Cu-Co-PGE discovery. Altius has entered into a joint venture agreement with Anglo American (“Anglo”) whereby Anglo has the option to earn a 66-per-cent interest in the project through expenditures of $20 million over a five-year period. Exploration highlights from Altius' Nastashquan discovery include “2.68g/t combined Pt, Pd and Au (grab) - 6.14% Cu and 388ppb Pt - 1.04g/t combined Pt, Pd, Au and 1.06% Cu over 1.30m (channel) - 1.04 g/t combined Pt, Pd, Au and 3.92% Cu over 1.00m (channel) - 2.49g/t combined Pt, Pd and Au and 1.07% Ni (grab) – several grab samples >7% Cu - soil samples up to 26,000ppm Cu.” (http://altiusminerals.com/projects/natashquan).

The Mealy Lake mafic intrusion was identified from historic work completed by the Newfoundland and Labrador Geological Survey. The main intrusive is approximately 45km long and 25km wide and is Late Paleoproterozoic in age with local fresh crosscutting mafic to ultra-mafic rock. The disseminated to massive sulphide mineralization found to date displays cumulate textures indicative of primary magmatic type Cu-Ni-PGE deposition within the mafic to ultra-mafic intrusive.

During the period ended December 31, 2014, the Company announced that PTM had completed a 2,950km VTEMplus electromagnetics (EM) and magnetic (Mag) airborne survey on the Mealy property. Preliminary data suggests multiple strong and moderate EM conductors have been identified in numerous areas of the project. Subsequent field follow up to assess the preliminary conductive areas have identified pyrrhotite and chalcopyrite sulphide mineralization in limited gossanous exposures that appear to have cumulate textures. To date, preliminary grab samples in two areas within the Benton option ground have returned values from copper mineralization with one area assaying from trace to 1% Cu. Soils were also completed in areas showing anomalous EM responses but limited outcrop exposure to aid in identification of possible base and precious metal mineralization. Due to the late season start, processing of geophysical data and compilation of ground data is currently ongoing.

(v) Hearst Graphite

During the year ended June 30, 2014, the Company announced that it had staked 16 claim units approximately 25km east of Zenyatta Ventures Ltd.'s new hydrothermal graphite discovery. Zenyatta describes the mineralization as the "largest and only high-purity hydrothermal graphite deposit being developed in the world." The Company staked the ground based on a search and evaluation of historical data in the region, which showed that conductive horizons exist on the property.
In addition, during the year ended June 30, 2014, the Company announced that it executed an agreement (the "Agreement") with Alabama Graphite Corp. (CNSX: ALP) ("Alabama Graphite") pursuant to which Alabama Graphite purchased a 100% interest in the 16 claim units.

Under the Agreement, Alabama Graphite paid the Company $8,000 (received) and issued to the Company, 2 million Alabama Graphite common shares (received) with the following restrictions;

i. 500,000 common shares with the standard 4 month trading restriction until December 23, 2013;
ii. 500,000 common shares with a 10 month trading restriction until June 22, 2014;
iii. 500,000 common shares with a 16 month trading restriction until December 22, 2014; and
iv. 500,000 common shares with a 22 month trading restriction until June 22, 2015.

The Company will also retain a 2% NSR with Alabama Graphite having the right to buy back 50% of the NSR (i.e., 1%) for $1 million.

The Company recorded a portion of the sale as a recovery of capitalized exploration and evaluation expenditures incurred and the remaining amount was recorded in income in gain on sale of exploration and evaluation assets in the 2014 fiscal year totaling $480,204 ($480,000 of which was the value of the common shares received).

The Company sold an additional 500,000 shares for net proceeds of $84,780 and recorded a loss on the disposition of $35,220 during the six month period ended December 31, 2014. Subsequent to December 31, 2014, the Company sold an additional 500,000 shares of Alabama Graphite for net proceeds of $69,300. The Company still holds 500,000 common shares of Alabama Graphite.

(vi) Staghorn Gold Property

During the period ended December 31, 2014, the Company signed a letter of intent with Metals Creek Resources Corp. ("MEK"), a company related by common directorships, to option MEK's Staghorn Gold project in Newfoundland. To earn an initial 60% interest, Benton must make cash payments of $50,000, issue a total of 500,000 Benton shares and incur work expenditures of $500,000, all over a three year period. Benton will be the operator during the earn-in period. Once a 60% interest is earned by Benton, either a 60/40 joint venture will be formed, or Benton may elect to earn an additional 10% interest to bring its total property interest to 70% by paying $50,000 cash and issuing an additional 500,000 Benton shares within 60 days of the 3rd anniversary date and incurring an additional $500,000 in exploration expenditures by the 5th anniversary date. This agreement is subject to regulatory approval. Benton will be the operator of the project during the earn-in period and will commence grid work and geophysics in the spring of 2015.

During the summer / fall of 2014, MEK discovered a high grade gold bearing, granitic boulder train along the Cape Ray / Victoria Lake Fault Zone on the Staghorn property. The regional fault zone hosts a number of gold deposits including Marathon Gold's Valentine Lake deposit, located 30 km to the northeast and Benton's Cape Ray gold deposits approximately 100km to the southwest. The Staghorn Gold Property covers a 29 km strike length of the mineralized trend. Previous work had outlined a number of gold showings in the central and southwestern part of the property. This latest discovery is located in the northeast part of the property, in an area of little previous work and opens up a new prospective area for further exploration.

The boulders are described as angular to sub-angular, and consist of altered and foliated granite containing variable amounts of pyrite and arsenopyrite. A total of 30 samples were collected from the numerous boulders which varied in size from 0.10 to 0.75m and have been traced over a 175m length. Assay results ranged from 11 parts per billion gold (ppb Au) to 32,152 ppb Au (see previous MEK press release dated August 18, 2014). The abovementioned samples are boulder samples, selective by nature and are unlikely to represent average grades on the property. The Company is planning further prospecting, line cutting, soil sampling and geophysics in order to delineate future diamond drilling targets.

(g) Write-downs/Recoveries/Disposals

Reductions to the carrying costs of associated properties pertaining to write-downs or as a result of cost recoveries or earn-ins, or due to dispositions during the period ended September 30, 2014 and the year ended June 30, 2014 were as follows:

	December 31, 2014 $	June 30, 2014 $
Write-downs:		
Shebandowan Property	-	-
Long Range Property	-	1,435,927
Elizabeth Anne Property	-	2,414,259
Other Properties	-	11,726
Subtotal	-	3,861,912
Recoveries:		
Cape Ray	(125,000)	56,392
Other – Mealy	-	20,518
Other – Hearst Graphite	-	7,796
Subtotal	(125,000)	84,706
Total	**(125,000)**	**3,946,618**

Management of the Company has reviewed all ongoing exploration projects and determined that no further write-downs of capitalized exploration and development expenditures are required at this time other than what has been written down already in the period. The Company will continue to assess the exploration potential of each project on a recurring basis and make adjustments when necessary.

SELECTED ANNUAL FINANCIAL INFORMATION

Description	**Year ended June 30, 2014 $**	**Year ended June 30, 2013 $**	**Year ended June 30, 2012 $**
Operating expenses	5,159,436	2,774,326	5,294,447
Interest income	159,949	93,374	269,585
Adjustment to fair market value of held for trading investments	(193,668)	511,232	(7,588,260)
Write down of mineral properties	(3,861,912)	(1,147,766)	(2,597,917)
Net loss being comprehensive loss	(4,505,047)	(2,107,807)	(8,925,566)
Earnings (loss) per share – basic (1) (2)	(0.06)	(0.03)	(0.12)
Cumulative mineral properties and deferred development expenditures	5,778,252	7,995,319	6,809,483
Total assets	13,617,145	18,054,492	13,638,137

(1) Basic per share calculations are made using the weighted-average number of shares outstanding during the year.

(2) Earnings (loss) per share on a diluted basis is the same as the basic calculation per share as all factors are anti-dilutive.

SUMMARY OF QUARTERLY RESULTS

Three Month Period Ending	Net Earnings/(Loss) $	Net Earnings/(Loss) per Share Basic and Diluted (1) (2) $
December 31, 2014	(437,390)	(0.006)
September 30, 2014	(320,124)	(0.004)
June 30, 2014	(385,607)	(0.005)
March 31, 2014	(3,773,677)	(0.05)
December 31, 2013	(449,382)	(0.005)
September 30, 2013	103,619	0.00
June 30, 2013	(2,123,203)	(0.02)
March 31, 2013	(567,978)	(0.01)

(1) Basic loss per share calculations are made using the weighted-average number of shares outstanding during the period.

(2) Earnings (loss) per share on a diluted basis is the same as the basic calculation per share as all factors are anti-dilutive.

During the six month period ended December 31, 2014, the Company's cash on hand decreased by $33,329 to $77,079 due to the timing of redemptions of temporary investments. Accounts and other receivables of $206,279 (June 30, 2014 - $81,872) at December 31, 2014 consisted of H.S.T. receivables, on-signing payment from Nordmin regarding the Cape Ray agreement, accrued interest receivable on temporary investments and management fees receivable from Benton Capital Corp. Exploration and evaluation assets increased from $5,778,252 at June 30, 2014 to $6,390,750 at December 31, 2014 due mainly to expenditures at the Company's Cape Ray project. Share Capital increased to $27,564,286 at September 30, 2014 from $27,485,786 at June 30, 2014 due to share issuances to Tenacity Gold Mining Company for the final payment on Cape Ray and to Metals Creek Resources Corp. for the Staghorn option agreement.

SHARE DATA

As at February 19, 2015, the Company has 77,809,031 common shares issued and outstanding as well as: (a) stock options to purchase an aggregate of 10,520,000 common shares expiring between August 15, 2017 and January 21, 2019 exercisable between $0.10 and $0.15 per share. For additional details of share data, please refer to note 7 of the December 31, 2014 condensed interim financial statements.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, temporary investments, accounts and other receivables, long-term investments, refundable security deposits and accounts payable and accrued liabilities. It is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments.

LIQUIDITY AND CAPITAL RESOURCES

The Company has net working capital as at December 31, 2014 of $5,840,875 ($6,702,281 as at June 30, 2014) and cash on hand of $77,079 ($110,408 as at June 30, 2014) and a deficit of $15,968,363 ($15,210,849 as at June 30, 2014).

During the year ended June 30, 2014 the Company applied for and received regulatory approval for a Normal Course Issuer Bid (the " Bid") to purchase, through the facilities of the TSX Venture Exchange, up to 5,000,000 shares of its issued and outstanding common shares. The actual number of shares that may be purchased and the timing of such purchases will be determined by the Company and purchases pursuant to the Bid will be conducted through BMO Nesbitt Burns. During the six month period ended December 31, 2014, the Company acquired nil shares (December 31, 2013 – 250,000 shares) at a total cost of nil (December 31, 2013 - $15,250). All shares purchased under the Bid were cancelled.

The Company's audited financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes the realization of assets and the settlement of liabilities in the normal course of business. The appropriateness of the going concern assumption is dependent upon the Company's ability to generate future profitable operations and/or generate continued financial support in the form of equity financings. The financial statements do not reflect any adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classification that would be necessary if the going concern assumption were not appropriate and such adjustments could be material.

The recovery of amounts shown as exploration and evaluation assets is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain adequate financing to complete development, and upon future profitable operations from the properties or proceeds from the dispositions thereof.

The Company currently has no operations that generate cash flow and its long-term financial success is contingent upon management's ability to locate economically recoverable resources. This process can take many years to complete, cannot be guaranteed of success, and is also subject to factors beyond the control of management. Factors such as commodity prices, the health of the equity markets and the track record and experience of management all impact the Company's ability to raise funds to complete exploration and development programs.

The Company has taken numerous steps to ensure that it will continue to have adequate working capital to fund operations. The Company has set a conservative exploration budget for the upcoming year that will focus on a few key project advancement initiatives. It has reduced its budget for new project evaluation and generation substantially to ensure exploration is focused on advancing primary projects. This has also reduced the need for additional field personnel which will reduce labour costs. As well, the Company has and will continue to actively seek out strategic joint venture partners on certain of its projects to ensure that they will be advanced while at the same time preserving its capital. The Company has also reviewed corporate overhead costs to allow for only essential expenditures.

The Company anticipates that the continued sale of Flow Through shares/warrants should enable it to maintain exploration activities on its mineral properties. However, there can be no assurance that these activities will be sufficient to enable the Company to carry on its planned activities given the current economic climate.

CAPITAL MANAGEMENT

The Company's objectives when managing capital are as follows:

i) To safeguard the Company's ability to continue as a going concern;
ii) To raise sufficient capital to finance its exploration and development activities on its mineral exploration properties;
iii) To raise sufficient capital to meet its general and administrative expenditures.

The Company manages its capital structure and makes adjustments to it based on the general economic conditions, its short-term working capital requirements, and its planned exploration and development program expenditure requirement. The capital structure of the Company is composed of working capital and shareholders' equity. The Company may manage its capital by issuing flow through or common shares, or by obtaining additional financing.

The Company utilizes annual capital and operating expenditure budgets to facilitate the management of its capital requirement. These budgets are approved by management and updated for changes in the budgets underlying assumptions as necessary.

SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the balance sheet date that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

i. the recoverability of amounts receivable and prepayments, which are included in the statements of financial position;

ii. the carrying amount and recoverability of exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after costs are capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off to profit or loss in the period the new information becomes available;

iii. the estimated useful lives of property and equipment which are included in the statement of financial position and the related depreciation included in the statements of loss and comprehensive loss for the period ended December 31, 2014;

iii. the inputs used in accounting for share-based payment expense in the statement of comprehensive loss; and

v. the provision for income taxes, which is included in the statements of loss and comprehensive loss and composition of deferred income tax assets and liabilities included in the financial statements of financial position at December 31, 2014.

Critical accounting judgments

The following accounting policies involve judgments or assessments made by management:

- The determination of categories of financial assets and financial liabilities;
- The determination of a cash-generating unit for assessing and testing impairment;
- The allocation of exploration costs to cash-generating units; and
- The determination of when an exploration and evaluation asset moves from the exploration stage to the development stage.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not participated in any off-balance sheet or income statement arrangements.

RELATED PARTY TRANSACTIONS

The Company paid or accrued the following amounts to related parties during the six months ended December 31, 2014 and 2013:

Payee	Description of Relationship	Nature of Transaction	December 31, 2014 Amount ($)	December 31, 2013 Amount ($)
Stares Contracting Corp.	Company controlled by Stephen Stares, Director and Officer and Michael Stares, Director	Payments for office rental and maintenance costs included in general and administrative expenses	26,637	39,528
Gordon J. Fretwell Law Corporation	Company controlled by Gordon Fretwell, Director and Officer	Legal fees and disbursements charged/accrued during the year	14,593	34,194
Michael Stares	Director	Field consulting services and equipment included in exploration and evaluation assets	1,150	3,600
Stares Prospecting Ltd.	Company controlled by Alexander Stares, Brother of Stephen and Michael Stares	Prospecting services and equipment rentals included in exploration and evaluation assets	1,200	7,059

The purchases from and fees charged by the related parties are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

During the six months ended December 31, 2014, the Company paid director fees to one of its directors totaling $5,000 for services rendered on the Company's Audit Committee (December 31, 2013 - $5,000). The director is to receive $2,500 per quarter. During the period ended December 31, 2014, the Company executed a letter of intent to option the Staghorn Gold property from Metals Creek Resources Corp., a company related by common directorships (see 6(f)(v)).

Included in accounts payable and accrued liabilities is $1,409 (2013 - $13,036) to Stares Contracting Corp., $15,840 (2013 - $22,000) to Gordon J. Fretwell Law Corporation and $nil (2013 – $7,059) to Stares Prospecting Ltd. The repayment terms are similar to the repayment terms of non-related party trade payables.

During the 2014 fiscal year, the Company invoiced and accrued $46,000 (June 30, 2013 - $28,000) in management fees to Benton Capital Corp. to offset certain overhead covered by the Company on Benton Capital Corp.'s behalf. At
December 31, 2014, this amount was included in accounts receivables and was received in the subsequent period.

Key management personnel remuneration during current period included $257,296 (December 31, 2013 - $263,665) in salaries and benefits and $29,957 (December 31, 2013 - $46,451) in share-based payments. There were no post-retirement or other long-term benefits paid to key management personnel during the year.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRS”)

Statement of Compliance and Conversion to International Financial Reporting Standards (“IFRS”)

These financial statements, including comparatives, have been prepared using accounting policies in compliance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

New and Future Accounting Pronouncements

The following standards are effective for annual periods beginning on or after January 1, 2014, with earlier adoption permitted. The Company has not early adopted these standards and is currently assessing the impact they will have on the consolidated financial statements.

IFRS 9, Financial Instruments: The standard is the first part of a multi-phase project to replace IAS 39, Financial Instruments: Recognition and Measurement. The implementation of this standard has been postponed indefinitely.

RISKS AND UNCERTAINTIES

Nature of Mineral Exploration and Mining

At the present time, the Company does not hold any interest in a mining property in production. The Company’s viability and potential success lie in its ability to discover, develop, exploit and generate revenue out of mineral deposits. The exploration and development of mineral deposits involve significant financial risks over a significant period of time which even a combination of careful evaluation, experience and knowledge may not eliminate. While discovery of a mine may result in substantial rewards, few properties, which are explored are ultimately developed into producing mines. Major expenses may be required to establish mineral reserves by drilling and to construct mining and processing facilities at a site. It is impossible to ensure that the current or proposed exploration programs on exploration properties in which the Company has an interest will result in a profitable commercial mining operation.

The operations of the Company are subject to all of the hazards and risks normally coincident with exploration and development of mineral properties, any of which could result in damage to life or property, environmental damage and possible legal liability for any or all damage. The activities of the Company may be subject to prolonged disruptions due to weather conditions depending on the location of operations in which the Company has interests. Hazards, such as an unusual or unexpected formation, rock bursts, pressures, cave-ins, flooding or other conditions may be encountered in the drilling and removal of material. While the Company may obtain insurance against certain risks in such amounts as it considers adequate, the nature of these risks is such that liabilities could exceed policy limits or could be excluded from coverage. There are also risks against which the Company cannot insure or against which it may elect not to insure. The potential costs which could be associated with any liabilities not covered by insurance or in excess of insurance coverage or compliance with applicable laws and regulations may cause substantial delays and require significant capital outlays, adversely affecting the future earnings and competitive position of the Company and, potentially, its financial position.

Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as its size and grade, proximity to infrastructure, financing costs and governmental regulations, including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting and environmental protection. The effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

Fluctuating Prices

Factors beyond the control of the Company may affect the marketability of any copper, nickel, gold, silver, platinum or any other minerals discovered. Resource prices have fluctuated widely and are affected by numerous factors beyond the Company’s control. The effect of these factors cannot accurately be predicted.

Competition

The mineral exploration and mining business is competitive in all of its phases. The Company competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources than the Company, in the search for and acquisition of attractive mineral properties. The ability of the Company to acquire properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable properties or prospects for mineral exploration. There is no assurance that the Company will continue to be able to compete successfully with its competitors in acquiring such properties or prospects.

Financing Risks

The Company has limited financial resources and no current revenues. There is no assurance that additional funding will be available to it for further exploration and development of its projects or to fulfill its obligations under applicable agreements. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the property interests of the Company with the possible dilution or loss of such interests.

Permits and Licenses

The operations of the Company may require licenses and permits from various governmental authorities. The Company believes that it presently holds all necessary licenses and permits required carrying on with activities which it is currently conducting under applicable laws and regulations and the Company believes it is presently complying in all material respects with the terms of such laws and regulations, however, such laws and regulations are subject to change. There can be no assurance that the Company will be able to obtain all necessary licenses and permits required to carry out exploration, development and mining operations at its projects.

No Assurance of Titles

The acquisition of title to mineral projects is a very detailed and time-consuming process. Although the Company has taken precautions to ensure that legal title to its property interests is properly recorded in the name of the Company where possible, there can be no assurance that such title will ultimately be secured. Furthermore, there is no assurance that the interest of the Company in any of its properties may not be challenged or impugned.

Environmental Regulations

The operations of the Company are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mineral exploration and mining operations, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations.

Conflicts of Interest

The directors and officers of the Company may serve as directors or officers of other public resource companies or have significant shareholdings in other public resource companies. Situations may arise in connection with potential acquisitions and investments where the other interests of these directors and officers may conflict with the interest of the Company. In the event that such a conflict of interest arises at a meeting of the directors of the Company, a director is required by the *Business Corporations Act* (Ontario) to disclose the conflict of interest and to abstain from voting on the matter.

From time to time several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Dependence on Key Personnel

The Company is dependent on a relatively small number of key people, the loss of any of whom could have an adverse effect on its operations. Any key person insurance which the Company may have on these individuals may not adequately compensate for the loss of the value of their services.

The MD&A was reviewed and approved by the Audit Committee and Board of Directors and is effective as of February 19, 2015.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com.