FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS
Year Ended April 30, 2015

The following Management Discussion and Analysis ("MD&A"), prepared as of August 17, 2015, of the results of operations and financial position of Metalex Ventures Ltd. (the "Company") for the year ended April 30, 2015 should be read together with the audited consolidated financial statements for the year ended April 30, 2015 and related notes attached thereto, which are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). All amounts are stated in Canadian dollars unless otherwise indicated.

The reader should also refer to the annual audited consolidated financial statements for the years ended April 30, 2014 and April 30, 2013 and the MD&A for those years as well.

Additional related information is available on the Company's website at www.metalexventures.com or on SEDAR at www.sedar.com.

Description of Business

The Company's principal business activity is the acquisition, exploration and development of mineral properties and it is considered to be at the exploration stage. The Company has not yet determined whether the properties contain ore reserves that are economically recoverable. The Company trades on the TSX Venture Exchange under the symbol MTX.

The Company's areas of work are in the James Bay Lowlands area of Northern Ontario, where the company has a 100% interest in certain mineral claims ("Kyle Lake"); a 62.5% interest in a joint venture with White Pine Resources Inc; and, in the Attawapiskat area of Northern Ontario, where the Company has a 83.9% contributing interest in the Big Red Diamond Joint Venture and a 82.5% contributing interest in the Dumont Joint Venture. In Quebec, the Company has a 73.5% contributing interest in diamond exploration and a 78.9% contributing interest in non-diamond commodity exploration on various mineral claims. The Company also holds an exploration licence in Morocco.

The reader is referred to the relevant sections in this, and previous Management Discussion and Analysis for further details on these projects.

Cautionary Note Regarding Forward Looking Statements

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this report. These assumptions, which include management's current expectations, estimates and assumptions about current mineral property interests, the global economic environment, the market price and demand for diamonds, gold and other minerals and our ability to manage our property interests and operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) a decreased demand for or price of gold and other minerals, (3) delays in the start of projects with respect to our property interests, (4) inability to locate and acquire additional property interests, (5) the uncertainty of government regulation and politics regarding mining and mineral exploration, (6) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (7) other factors beyond our control.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Performance Summary

The following is a summary of significant events and transactions that occurred during the year ended April 30, 2015:

Private Placements

There were no private placements completed during the year.

Mineral Properties

Mineral property expenditures, net of cost recoveries, incurred (paid or payable) during the year were as follows:

Attawapiskat, Ontario	$	275
James Bay, Quebec		1,094,305
Kyle Lake, Ontario		207,011
Mali		4,803
Angola		65,374
Morocco		356,636
Total	$	1,728,404

Details of activities on the properties are provided in the following commentary. The technical information and results reported in this section have been reviewed by Metalex President & CEO, Chad Ulansky P.Geol. Mr. Ulansky is a Qualified Person under National Instrument 43-101 and is responsible for the technical content herein.

Kyle Lake Property, Ontario

As at April 30, 2015, the Company has a 100% earned interest in certain mineral claims located in the Kyle Lake area of Ontario, located approximately 200 km west of James Bay in Northern Ontario and about 80 km west of De Beers' Victor Mine. These claims are subject to a 10% carried interest in favour of Kel-Ex Development Ltd. ("Kel-Ex").

The Company acquired, by staking, a 100% interest in certain mineral claims located in the Kyle Lake area then entered into an agreement effective June 30, 2004 to sell a 20% contributing interest in the property to Arctic Star Diamond Corp ("Arctic Star") for proceeds of $100,000, reimbursement of 20% of previous staking and exploration costs incurred on the property and an agreement to pay 20% of on-going exploration costs. During 2005, Arctic Star advised the Company that it declined to contribute financially to exploration of the Kyle Lake project and the Company elected to increase its interest in the project by funding Arctic Star's contribution. In September 2011, the Company acquired all of Arctic Star's remaining joint venture interests in the Company's Kyle Lake, James Bay Lowlands and Attawapiskat projects for a lump sum payment of $264,862.

In January 2012, the Company signed a letter agreement with Dundee Corporation ("Dundee") to acquire up to a 51% interest in the U2 and T1 kimberlite pipes through a four stage investment of up to $51 million. Pursuant to the letter agreement, Dundee advanced $5 million to Metalex to be used for preparatory work for the 10,000+ ton bulk sample (the "Bulk Sample"). In May 2013, the Company signed a revised earn-in agreement with Dundee. Terms and conditions of the earn-in agreement are largely the same as laid out in the letter agreement, however the $5 million advance was reduced to $1.6 million with Dundee to provide certain equipment to be used on the project with a value of $3.4 million. In July 2014, the Company received notice from Dundee that they were terminating the earn-in agreement. In October 2014, the $1,660,000 advance was converted to 2,766,666 shares of the Company.

Technical Rationale

The Kyle lake region is considered prospective for commercial diamond bearing kimberlite pipes as all of the known kimberlite pipes in the area are diamondiferous. This proportion of diamond bearing kimberlite pipes is much higher than the global average of 14% and indicates that this part of the Superior craton is extremely fertile for diamonds.

T1 Kimberlite

In 2005, the Company discovered the T1 kimberlite by drilling. Promising diamond counts and diamond quality were returned from the discovery hole and subsequent delineation core holes supported the decision to collect a mini bulk sample from T1. Twenty 8 ¾ inch diameter reverse circulation holes were drilled collecting approximately 450 tons of kimberlite. Processing of this kimberlite at the Stornoway Diamond Corp processing plant in North Vancouver recovered 12,446 commercial sized (larger than 0.425mm) diamonds. The size distribution of the parcel suggests that the pipe is not economic at the current time and no additional work is planned at this time.

Discovery of the U1, U2 and U2NW Kimberlites at the Kyle Project

A 28,620 line kilometre airborne geophysical survey was flown in late 2006. Testing of priority targets during the winter of 2006/2007 discovered three additional kimberlites between the T1 kimberlite and DeBeers' Victor Diamond Mine ("Victor"): U1, U2 and U2NW. Although all three kimberlites are diamondiferous, work has focused on the U2 kimberlite due to its large size. At over nine hectares, the U2 kimberlite is one of the largest kimberlites in the region, second only to Victor.

Shortly after the U2 kimberlite was discovered by a vertical core hole, four inclined core holes were completed to delineate the pipe. Diamonds recovered from these holes have a coarse size distribution and are predominantly gem quality, similar to those recovered from DeBeers' Victor Mine. The large size of the U2 kimberlite, its high proportion of white, gem quality stones, its similar age and diamond indicator mineral content to Victor and a coarse diamond distribution curve all supported the decision to collect a mini bulk sample from U2.

Prior to commencing the large diameter RC drill program seven delineation core holes were drilled to better define the pipe walls. RC drilling commenced early in 2010 and approximately 450 tons of kimberlite was collected from 11 holes.

The U2 mini bulk sample was processed at the Stornoway plant and a total of 1,946 commercial sized (larger than 0.425mm) diamonds were recovered. Size distribution information for the diamonds recovered is presented in the following table:

Sieve Sizes (Through / On)								**Total**
0.6mm 0.425mm	0.85mm 0.6mm	1.18mm 0.85mm	1.7mm 1.18mm	2.36mm 1.7mm	3.35mm 2.36mm	4.75mm 3.35mm	6.7mm 4.75mm	
338	804	505	213	56	23	5	2	1,946

As seen above, the size distribution of the diamonds is very coarse with a high proportion of the diamonds being in the large size categories. This is important for a high average carat value. Included in the above figures are a 2.61 carat white gem quality diamond as well as a 1.25 carat diamond and two 0.73 carat diamonds which have been recovered from four separate holes. The 86 largest (+1.7mm) diamonds totalled 15.95 carats.

Dr. Luc Rombouts, renowned diamond specialist from Antwerp, Belgium, flew to Kelowna to examine the diamonds. Of the 86 largest diamonds, he classified 73 as white, six as brown, five as grey and two as coloured (yellow and pinkish brown). This equates to 88.8% white, 7.3% brown, 2.8% grey and 1.1% coloured by weight. Dr. Rombouts confirmed that the two largest diamonds (2.61 and 1.25 carats) recovered from U2 would cut as high quality white gems.

Dr. Rombouts concludes that the parcels of diamonds from U2 is too small to give a reliable average price per carat estimate. The U2 size distribution plots are relatively coarse and indicate significantly larger samples will yield significantly larger diamonds of consequently higher value than the diamonds recovered from this mini bulk sample.

Based on the high proportion of gem quality diamonds, the large size of the U2 kimberlite and the diamond grades, the U2 kimberlite merits the collection of a 10,000 ton bulk sample so that at least 1,000 carats of diamonds can be recovered for assessment. A large diamond parcel is necessary to accurately define the diamond grade and average value per carat.

The proposed bulk sample is to be collected by 48 large diameter (60cm) reverse circulation holes. The drill and all other supplies needed for the program will be mobilized to site by winter road.

Drilling and processing of the bulk sample are expected to take approximately 18 months. This will allow the drill and unneeded equipment to be demobilized by winter road the following winter.

AMEC Environment and Infrastructure ("AMEC") was contracted in September, 2011 to complete the permitting required for the program and this is well underway. AMEC has also commenced environmental baseline studies for the project area.

Also, geological and geotechnical logging commenced on 25 pilot holes drilled at U2 where an embedded diamond was discovered in the core while logging. This work is being undertaken under the direction of Dr. Barbara Scott-Smith, a world renowned kimberlite petrologist, and aids in the planning of the bulk sample and interpretation of the bulk sample results.

In April 2015, the Company was issued the permits which will allow the bulk sample collection to commence. Now that the permits have been issued, Metalex is in the process of securing the funding for the bulk sample. Preliminary discussions with interested parties are underway. Management has continued discussions with the First Nations bands in an effort to secure a signed agreement.

Morocco

In May 2004, the Company entered into an agreement with the Office National de Hydrocarburers et des Mines ("ONHYM") to conduct preliminary exploration work in Southern Morocco in order to identify areas on which to undertake further exploration work. In May 2005, the Company added additional areas for exploration work on the same terms and conditions as the first agreement. The agreements were governed by the laws and regulations of the Kingdom of Morocco and were valid until November 2006.

In April 2011, the Company entered into a new joint venture agreement with the ONHYM for further exploration of the claim areas – which comprise 17,100 km^2. The Company will hold a 60% interest while ONHYM will retain a 40% interest in the project. Both parties will be responsible for funding their respective interests.

The licenses cover an area that is one of the only remaining areas of the world that is underlain by an Archean craton (ie rocks older than 2.6 billion years) that has yet to be explored. Archean cratons are considered highly prospective for diamond bearing kimberlite, gold and base and precious metals are very favorable areas for significant mines. All kimberlite diamond mines are on cratons. Many of the world's largest gold mines are also located on cratons such as the mines at the Witswatersrand in South Africa, the Yilgarn craton in Australia and the Abitibi and Timmins areas in Canada. The prospectivity of the license is further demonstrated by the presence of Kinross' 20 million ounce Tasiast gold mine located 100 kilometers to the south and SNIM's world class 5.7 billion ton iron mine 200 kilometers to the east.

In 2006, follow up work of geochemical and geophysical anomalies discovered from earlier reconnaissance sampling indicated that G10 peridotitic garnets occur in 6 drainage/loam samples collected over an area of approximately 1,000 km^2. One of these samples contained an outstanding result of three G10 garnet grains comprising one G10 - 9, one G10 - 5 and one G10 - 3. Many of the G10 grains are fresh, and they are interpreted to be derived from nearby diamond bearing kimberlite(s). Additionally, 17 sample sites contain picroilmenite grains clustered over an area of 1,000 km^2. Several samples sites also contain pyrope garnet and a diamond stability field olivine has been found at one location. These results are interpreted to reflect an undiscovered kimberlite field.

From August 2011 to March 2012, a 88,146 line kilometer magnetic and radiometric survey that was flown over virtually the entire 17,100 km^2 license area where the extensive geochemical survey indicated potential for a variety of commodities. The survey data has been processed and interpreted by Scott Hogg and Associates and targets for ground truthing were identified.

Wemindji James Bay Property, Quebec

During fiscal 2003, the Company acquired a 33.3% interest in various mineral claims located in the Wemindji James Bay region of Quebec, Canada from Kel-Ex in consideration for 20,000 common shares of the Company valued at $80,000.

During fiscal 2007, the Company received notification from one joint venture party that they did not wish to participate in non-diamond related exploration on these claims. The Company finalized a joint venture agreement with the remaining partner for the exploration of non-diamond commodities (ie; various base and precious metals) within the same claim area. The Company holds a 78.9% contributing interest in this joint venture, as well as a 73.5% contributing interest in the original project which will explore solely for diamonds.

In August 2005, it was announced that anomalous concentrations of metals were discovered within the reconnaissance area. In addition to analysis for diamond indicator minerals, the heavy mineral concentrates were also geochemically analyzed for copper, cobalt, nickel, silver, zinc and molybdenum by atomic absorption and for gold, silver, arsenic, barium, bromine, calcium, cobalt, chromium, cesium, iron, hafnium, mercury, iridium, molybdenum, sodium, nickel, rubidium, antimony, scandium, selenium, strontium, tantalum, thorium, uranium, tungsten, zinc and eight rare earth elements by neutron activation.

Anomalous gold concentrations were found in more than 400 samples, anomalous copper values were found in 109 samples and anomalous uranium values were found in 173 samples. As the Archaean shield of eastern Canada contains a number of world-class metal mines, e.g. gold in the Val d'Or region of Quebec, nickel - copper - cobalt at Sudbury and Voisey Bay, and Uranium at Blind River, the geochemical results obtained above are regarded as most encouraging; particularly since they are spread throughout the regional area. A follow up program of priority results was conducted during 2006.

In March 2008, the discovery of a diamond bearing conglomerate was announced. The conglomerate appears to extend for four kilometres along strike and is up to 500 meters wide. Since then, 772 claims have been staked covering 39,472 hectares and 111 samples collected from the conglomerate totalling 1,616 kilograms have been processed with 54 of the samples having contained a total of 1,717 diamonds. Amongst the diamonds recovered were 106 rare, purple diamonds. In the sampling completed to date, the Ekomiak V conglomerate appears to have the greatest potential with 1,672 diamonds being recovered from 923 kilograms. Autogenous milling of selected conglomerate samples recovered diamond and kimberlite indicator minerals including olivine, chromite, picroilmenite, clinopyroxenes, pyrope and eclogitic garnets.

In November 2012, the Company completed a work program on the project. As a part of this program, 11 claim blocks were staked totaling approximately 20,110 hectares. These claims were staked to cover the heads of anomalous geochemical trains as determined by heavy mineral sampling. Four of the claim blocks cover trains anomalous primarily for gold. One claim block covers a train anomalous primarily in base metals (copper – nickel – cobalt). The remaining six claim blocks are anomalous in both gold and base metals. Also, a total of 1,673 heavy mineral samples were collected during the program.

In the fall of 2013 a further 410 heavy mineral samples were collected. Recent sample results defined a 1.3 kilometre diameter lake as the head of a diamond indicator mineral train which includes G10 and eclogitic Group 1 diamond indicators. A ground geophysical program including magnetic, electromagnetic and gravity techniques commenced in late 2013 to define targets for drill testing. A permit application for drill testing has been submitted.

Attawapiskat Property, Ontario

Big Red Diamond Joint Venture

As at April 30, 2015 the Company has a 83.9% contributing interest (72% participating interest) in certain mineral claims in the Attawapiskat area of Ontario. These claims are subject to a 10% carried interest in favour of Kel-Ex. The Company is obligated to contribute to the costs of the exploration program in proportion to its contributing interest.

During fiscal 2002, Kel-Ex formed an exploration joint venture with Big Red Diamond Ltd. (“Big Red”), (the Big Red Diamond Joint Venture) with respect to certain mineral claims in the Attawapiskat area of Ontario, with Kel-Ex having an 80% interest and Big Red, a 20% interest. The Company then entered into an agreement with Kel-Ex to acquire Kel-Ex’s 80% interest in these claims in consideration for $300,000 and the issuance of 100,000 common shares of the Company valued at $225,000. Kel-Ex is a company controlled by an individual who became a director of the Company subsequent to this agreement.

During fiscal 2003, the Company sold, to Arctic Star, a 20% undivided interest in certain mineral claims for proceeds of $300,000. During fiscal 2008, Big Red elected to dilute a portion of its contributing interest which the Company has elected to assume effective January 1, 2010 thereby increasing its contributing interest in the claims from 60% to 63.9%. In September 2011, the Company acquired all of Arctic Star’s remaining joint venture interests thereby increasing their contributing interest in the claims from 63.9% to 80%.

Dumont Joint Venture

As at April 30, 2015 the Company has a 82.5% contributing interest (61.7% participating interest) in certain mineral claims located in the vicinity of the Attawapiskat property. These claims are subject to 10% carried interests in favour of each of Kel-Ex and Dumont Nickel Inc. (“Dumont”). The Company is obligated to contribute to the costs of the exploration program in proportion to its contributing interest.

Pursuant to an agreement between Kel-Ex and Dumont, a joint venture was formed to explore certain mineral claims located in the vicinity of the Attawapiskat property. Kel-Ex was granted an option to earn up to a 90% interest in certain mineral claims held by Dumont and a 100% interest in any new claims staked by the joint venture subject to Dumont's right to receive a 5% interest in the new claims once commercial production is achieved. Under this agreement, Kel-Ex earned a 50% interest by incurring expenditures totaling $1,500,000 and can earn a further 25% by producing a feasibility study and a final 15% (20% on new claims) by bringing the property to commercial production.

The Company, along with Arctic Star and Oasis Diamond Corp. (“Oasis”), entered into an agreement dated October 23, 2003 with Kel-Ex, whereby the parties acquired Kel-Ex’s interest in the Dumont joint venture in exchange for assuming Kel-Ex’s obligations under the Dumont agreement and reimbursing Kel-Ex for its costs incurred. Under this agreement, the Company acquired 70% of Kel-Ex’s interest in the Dumont joint venture with Arctic Star and Oasis acquiring 20% and 10% interests, respectively with Kel-Ex retaining a 10% free carried interest. Pursuant to an agreement dated September 21, 2004, Big Red was assigned a 20% contributing interest of the Kel-Ex interest from the Company in consideration for payment to the Company of $909,747 comprised of a mineral property expense recovery of $892,001 and interest of $17,746. As a result, the Company’s interest was reduced to 50% of Kel-Ex’s right to earn 90% (95% on new claims) in the Dumont joint venture.

During fiscal 2008, Big Red and Oasis elected to dilute a portion of their working interests which the Company has elected to assume effective January 1, 2010 thereby increasing its contributing interest in the claims from 50% to 61.1%. In September 2011, the Company acquired all of Arctic Star’s remaining joint venture interests thereby increasing their contributing interest in the claims from 61.1% to 82.5%.

Since August 2003, work on the Attawapiskat project has focused on follow up of the locations where high counts of diamond indicator minerals were found in a D6 glacial fan. This fan is located less than 10 kilometres from De Beers Victor diamond deposit, lies within the Attawapiskat kimberlite trend and straddles ground subject to both the Big Red and Dumont Joint Ventures.

An exploration program consisting of 10 core holes and 12 auger holes was completed in Fall 2010. The auger holes were drilled to test for the up ice source of a highly anomalous auger sample which contained abundant diamond indicator minerals and fragments of kimberlite. Samples from both the core and auger drilling have been sent to CF Mineral Research Ltd. for analysis.

James Bay Lowlands Property, Ontario

As at April 30, 2015, the Company has a 62.5% earned interest in certain mineral claims located in the Kyle Ring of Fire region of the James Bay Lowlands, Ontario.

During fiscal 2008, the Company acquired, by staking, an interest in certain claims located in the James Bay lowlands area of Northeastern Ontario. The Properties are strategically located on and around the “Ring of Fire” and cover approximately 36 square kilometres (8,944 acres) of ground.

In March 2008, the Company and Arctic Star entered into a farm-in agreement whereby White Pine Resources Inc. (“WPR”, formerly WSR Gold Inc.) could earn up to a 50% interest in certain mineral claims. Certain of these claims were previously included as part of the Kyle Lake project. Under the terms of the agreement, WPR had the right to earn up to a 50% interest in the project by funding up to $20,000,000 in expenditures on the property. For each $5,000,000 in funding, WPR would acquire a 12.5% interest in the claims.

In October 2011, having earned a 37.5% interest in the claims to-date, WPR elected to not to earn the Fourth Interest (50%) and, pursuant to the agreement, a joint venture has been formed whereby each party will fund future exploration activities in proportion to their earned interests.

By mid-2008, an aggressive exploration program was underway. An airborne helicopter magnetic and electromagnetic geophysical survey was completed over most of the joint venture’s claims. Ground geophysical studies over anomalies identified on the airborne survey have been conducted and 21 electromagnetic anomalies with a sympathetic magnetic response have been identified, as well as 19 with just electromagnetic anomalies.

Drilling commenced on the targets that were refined by ground geophysics in May 2008. Anomaly number 5.01 was the first tested and several holes have intersected significant widths of sulphide mineralization. The best intercept to date is in hole number six which intersected 95 meters of semi-to-near-massive sulphides from 72.7 meters. Visible copper, zinc, lead and iron sulphide mineralization is typical of the deposit. To date, 42 holes totaling 10,786 meters have been drilled on the 5.01 anomaly.

Mineralization, alteration and the geological environment at the 5.01 anomaly appears to be typical of a Noranda-Mattabi-style VMS (Volcanogenic Massive Sulphide) deposit. The mineralized zone appears to subcrop beneath approximately 15 meters of glacial till. The high grade zinc – copper – lead – silver mineralized zone has been delineated over a north-south strike length of 200m and to a vertical depth of 275m from surface. The zone dips steeply at 75 degrees to the east and appears to have a steep 65 degree plunge to the south. Horizontal widths of the high grade zone can reach up to 22 meters.

In late 2009, a Geotech ZTEM airborne geophysical survey was completed over the 5.01 discovery. The ZTEM survey displayed a low resistivity anomaly directly over the zone which suggests that the mineralization could potentially continue to greater depth. Drill testing of this anomaly commenced in December 2009 although no significant mineralization was intersected at depth. This hole is planned to be used as a platform to conduct a down hole electromagnetic survey to assess the potential for sulphide mineralization in the vicinity at depth.

Mali

The Company acquired an Authority to Prospect in 2004 over a claim area in northeastern Mali. In exploring the area, exceptionally anomalous gold values (6 to 77 ppm) were found in reconnaissance heavy mineral concentrates. Approximately 1,000 follow up samples were collected from the anomalous areas and sent to Australia for gold analysis by bulk cyanide leach. Results of these samples indicated that a portion of the claim area was prospective for metal mineralization and the Company applied for two exploration permits to cover these anomalous areas.

In May 2007, the Company was granted the first exploration permit which covers 490 square kilometers and is valid for a period of three years; renewable twice for a total of nine years. The Company was granted a second exploration permit, covering 500 km^2 in February 2009 with the same terms and conditions.

At present, the permit areas are under force majeure due to political unrest in the country. When the situation stabilizes, the Company intends to resume work on the project.

Angola

The Company entered into an agreement for kimberlite diamond exploration of the Chitamba license in Angola pursuant to an agreement executed by the Angolan Council of Ministers in April 2005.

A heavy mineral survey was carried out over the entire Chitamba license. Results of this survey indicate that the eastern portion of the exploration license has the potential to host diamondiferous kimberlites. A fixed wing magnetic survey was then acquired. Interpretation of the aeromagnetic data over the 3,000 km^2 Angola kimberlite license was completed by Scott Hogg and Associates, geophysicists, and 127 anomalies were identified. The existing aeromagnetic data was found not to be detailed enough to position drill locations so a high resolution helicopter borne magnetic survey was undertaken in 2007. This survey refined the results of the previous survey and drilling of the resultant geophysical anomalies commenced early in 2008. To date, 51 kimberlites have been discovered on the property by drilling or pitting. Samples of these discovered kimberlites have shown the kimberlites to be, at best, weakly diamondiferous.

Based on the marginal results of the discovered kimberlites Metalex elected to withdraw from the Chitamba project.

General

Certain Metalex exploration projects are managed by Kel-Ex Development Ltd., a company owned by Dr. Charles Fipke, an internationally recognized diamond geologist. Dr. Fipke is the Chairman of Metalex. Kel-Ex provides Metalex with access to its advanced proprietary databases and interpretational techniques. In return Kel-Ex receives a 10% administration fee on certain projects to cover costs and, in the case of certain projects, a 10% interest carried to production. Dr. Fipke also owns the CF Mineral Research ("CF Minerals") laboratory where samples collected in certain exploration programs are analyzed. Metalex's management is satisfied that all such related party transactions are entered into on terms that are reflective of current market conditions.

Overall Performance

As at April 30, 2015, the Company has incurred cumulative losses of $100,877,344 (April 30, 2014 - $99,522,762) and has working capital deficit of $2,891,178 (April 30, 2014 - $809,110). Operating activities during the year ended April 30, 2015 produced a negative cash flow of $1,754,229 (2014 – $2,391,627).

The key performance driver for the Company is the acquisition and development of prospective mineral properties. By acquiring and exploring projects of superior technical merit, the Company increases its chance of finding and developing an economic deposit.

At present, none of the Company's projects have reached the producing stage, therefore the Company is not anticipating profit or positive cash flow from operations. Until such time as the Company is able to realize profits from the production and sale of commodities from its mineral interests, Company will report an annual loss and will rely on its ability to obtain equity or debt financing to fund ongoing operations.

Selected Annual Information

The following table provides a brief summary of the Company's financial data for the three most recent fiscal years. For more detailed information, refer to the Financial Statements.

	Year Ended April 30, 2015	Year Ended April 30, 2014	Year Ended April 30, 2013
Total revenues	$ -	$ -	$ -
Loss before other items	(2,180,013)	(4,036,731)	(9,739,612)
Loss for the year	(2,100,642)	(3,958,216)	(8,922,526)
Basic and diluted loss per share	(0.02)	(0.05)	(0.13)
Total assets	3,253,245	5,151,601	8,832,378

Annual and quarterly information for all periods since May 1, 2010 have been prepared in accordance with IFRS.

The Company has not paid any dividends on its common shares. The Company has no present intention of paying dividends on its common shares, as it anticipates that all available funds will be invested to finance the growth of its business.

The Company completed flow through private placement financings in October and December 2013; these funds were used for the Quebec and U2 project, respectively, over the remainder of the fiscal year. No new financing was obtained during the 2015 fiscal year. As such, total assets have continued to decrease from 2013.

Results of Operations

For the year ended April 30, 2015

Net loss for the year ended April 30, 2015 amounted to $2,100,642 ($0.02 per share) compared to $3,958,216 ($0.05 per share) in 2014. This difference is largely due to a reduced level of exploration activity on the U2 project during the current year, as well as cost recoveries received for the Morocco project.

Some of the significant expenses for year ended April 30, 2015 are as follows:

- Net exploration expenditures of $1,728,404 decreased significantly from $3,552,984 in 2014. The overall level of exploration activity was lower than in fiscal 2014. During the fiscal year, the Company was waiting final permitting for the next phase of drilling on the U2 project and exploration work ceased on the Angola project. Please refer to Note 6 in the financial statements for additional detail on exploration expenditures.

- The Company accrued $127,000 (2014 – $124,000) in indemnity interest expense on the balance that was accrued in the 2013 year end audit.

- During the period, the Company accrued $111,177 (2014 – recovery of $406,042) in management fees under the deferred share unit plan. The old deferred share unit plan was cancelled prior to the October 31, 2013 quarter end, and the Company reversed the accruals under this plan; as such, there was a large recovery in the prior year.

- Office and administrative expenses of $87,689 (2014 – $196,584) has decreased due to a reduction of management and shared office costs. A reversal of accrued investor relation costs of $36,000 was also recorded in the current year, which further reduced office and administrative costs.

- Professional fees of $65,234 (2014 – $112,979) has decreased from the prior year; during in the 2014 fiscal year, the Company incurred additional accounting fees, which were not incurred in the current year.

- Transfer agent and filing fees of $31,653 (2014 – $35,069) have remained consistent with the prior year.

- Travel and promotion expenses of $2,323 (2014 – $14,672) decreased as a result of mining and finance conferences attended by senior management in the prior year.

During the year ended April 30, 2015, the Company used cash of $1,754,229 on operating activities (2014 – $2,391,627) which includes exploration and evaluation asset expenditures net of recoveries. Please refer to the consolidated statements of cash flows in the financial statements for a breakdown of the operating activities.

Summary of Quarterly Results

	Three Months Ended April 30, 2015	Three Months Ended January 31, 2015	Three Months Ended October 31, 2014	Three Months Ended July 31, 2014
Total revenues	$ -	$ -	$ -	$ -
Income (loss) before other items	(1,357,598)	(513,403)	(70,098)	(238,914)
Income (loss) for the period	(1,364,159)	(463,277)	(43,106)	(230,100)
Basic and diluted loss per share	-0.01	-0.00	-0.00	-0.00

	Three Months Ended April 30, 2014	Three Months Ended January 31, 2014	Three Months Ended October 31, 2013	Three Months Ended July 31, 2013
Total revenues	$ -	$ -	$ -	$ -
Loss before other items	(1,781,179)	(1,485,191)	101,853	(872,214)
Loss for the period	(1,769,501)	(1,454,219)	122,796	(857,292)
Basic and diluted loss per share	-0.02	-0.02	0.00	-0.01

The increased losses for the three months ended January 31, 2015 and April 30, 2015 relate to lab processing costs for the projects, as well as additional costs to export the remaining assets from Angola. The reduced loss for the three months ended October 31, 2014 relates to reduced exploration work, as well as significant cost recoveries received in August 2014 for the Morocco project. The loss for the three months ended July 31, 2014 relates to exploration work, including lab processing costs done on the Quebec and U2 projects.

The loss for the three months ended April 30, 2014 relates to exploration work done relating to the Quebec and U2 projects, including significant expenditures relating to lab processing. The Company also incurred costs relating to exporting the remaining assets from the Angola project, as well as survey costs relating to the Morocco project. The loss for the three months ending January 31, 2014 also relate to increased exploration activity for the Quebec project, as well as for the U2 project. Additionally, January 31, 2014 loss was increased by stock based compensation accrued during the period. The income for the three months ended October 31, 2013 stems from a reduced amount of exploration activity, combined with two significant cost recoveries. Management fees were reversed in the period due to a cancellation of the Company's deferred share unit plan, and the Company received payment in regards to cost recoveries for the Morocco project.

The Company charges all exploration costs to operations in the period incurred until such time that there is a determination of the feasibility of mining operations and a decision to proceed with development, in which case subsequent exploration and property development costs will be capitalized. All direct costs related to the acquisition of resource property interests have been capitalized as an asset.

Liquidity and Capital Resources

The Company has financed its operations to date primarily through the issuance of common shares. The Company continues to seek capital through various means including joint ventures partnerships and the issuance of equity and/or debt.

As mentioned in the Performance Summary, the Company will be endeavouring to complete a large-scale bulk sample program on the U2 kimberlite project which is estimated to cost approximately $50 million. In May 2013, the Company signed a revised earn-in agreement with the Dundee Corporation to secured financing for this program; this was terminated by Dundee in July 2014. The Company remains committed to the U2 project and has started contacting other parties to find a new finance partner for the project.

As at April 30, 2015, the Company had cash of $1,628,636 (April 30, 2014 – $3,385,044) and a working capital deficit of $2,886,759 (April 30, 2014 – $809,110). The Company has sufficient funds to meet its working capital requirements through the current period. Beyond that, to continue operations, the Company will require non-flow through funds either through a private placement financing, the exercise of stock options and/or the sale of unproven mineral interests. Current market conditions may impact the Company's ability to raise further capital and fund ongoing operations.

In addition to the exploration expenditure commitments outlined in the above Performance Summary, the Company is committed to minimum future lease payments for office premises through to May, 2016 as follows:

Fiscal year ending April 30, 2016	$ 11,846
Fiscal year ending April 30, 2017	$ 987

During fiscal 2010 and 2011, the Company completed a succession of flow-through share arrangements and renounced the expenditures to investors in accordance with Canadian income tax legislation. The Company was required to incur eligible Canadian exploration expenditures in order to ensure investors were eligible for the tax deductions. As at April 30, 2013, the Company did not incur all the required expenditures and the investors are no longer eligible to receive certain tax deductions. Consequently, the flow-through share premium liability was reduced to NIL and the Company recorded a provision of $1,170,000 towards potential indemnification of tax liabilities to purchasers of the flow-through shares. Interest of $248,000 has been accrued on this balance to April 30, 2015.

The consolidated financial statements have been prepared on a going concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. The ability of the Company to continue operations is dependent upon the existence of economically recoverable reserves, successful development of the Company's mineral properties, complete equity financings, and generate profitable operations in the future. As shown in the consolidated financial statements, the Company has suffered recurring losses, has negative working capital and has a significant deficit from operations. Management plans to obtain additional financing through future private placements for common shares or from the issuance of common shares on the exercise of outstanding options. These conditions may raise significant doubt regarding the Company's ability to continue as a going concern. The consolidated financial statements do not give effect to any adjustment should the Company be unable to continue as a going concern and therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts differing from those reflected in the consolidated financial statements. There can be no assurance that sufficient working capital can be generated from operations and external financing to meet the Company's liabilities and commitments as they become due. Failure to generate sufficient working capital from operations or obtain external financing will cause the Company to curtail operations and the Company's ability to continue as a going concern will be impaired. It is not possible to predict whether economically recoverable reserves exist, the Company's financing efforts will be successful, or the Company will attain profitable level of operations.

The Company completed two non-brokered private placements during the year ended April 30, 2014 for total proceeds of $2,100,034, less share issuance costs of $16,918.

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet transactions.

Related Party Transactions

During the year ended April 30, 2015 and 2014, the Company had related party transactions with the following companies related by way of common directors or shareholders:

- C.F. Mineral Research Ltd. ("CF Minerals") – a private company owned by Metalex Chairman, Charles Fipke. CF Minerals provides heavy mineral geochemistry services to the Company.
- Kel-Ex Development Ltd. ("Kel-Ex") - a private company owned by Metalex Chairman, Charles Fipke. Kel-Ex provides administration, payroll and office services to the Company.
- Element 29 Ventures Ltd. ("Element 29") - a private company owned by Metalex CEO, Chad Ulansky. Element 29

provides geological consulting services to the Company.
- Cantex Mine Development Corp. ("Cantex") - a publicly listed company with common directors and management. Metalex and Cantex share office space and thus have certain shared expenditures which get re-billed on a cost-recovery basis.
- Northern Uranium Corp. ("Northern") - a publicly listed company with common directors and management. Metalex and Northern share office space and thus have certain shared expenditures which get re-billed on a cost-recovery basis.

The Company's related party expenses consist of the following:

		Years ended April 30,		
		2015		2014
Laboratory and mineralogical costs	**$**	**380,803**	$	373,874
Administration fees (10%)		**37,791**		114,238
Geological consulting fees		**111,425**		157,321
Shared field expenditures		**34,945**		31,203
Shared office and administrative costs		**15,856**		32,341
	$	**580,820**	$	708,977

		Years ended April 30,		
		2015		2014
C.F. Mineral Research Ltd.	**$**	**380,803**	$	373,874
Cantex Mine Development Corp.		**1,019**		2,043
Element 29 Ventures Ltd.		**93,935**		136,318
Kel-Ex Development Ltd.		**104,671**		196,742
Northern Uranium Corp.		**392**		-
	$	**580,820**	$	708,977

The above noted transactions represent amounts incurred or accrued, but not necessarily paid, during the periods indicated. Laboratory and mineralogical costs (CF Minerals) and geological consulting fees (Element 29) decreased during 2015 in correlation with the general decrease in exploration activity.

The Company's expenses recovered from related parties consist of the following:

		Years ended April 30,		
		2015		2014
Shared field expenditures	**$**	**280,968**	$	27,736
Shared office and administrative costs		**80,243**		31,870
	$	**361,211**	$	59,606

		Years ended April 30,		
		2015		2014
Cantex Mine Development Corp.	**$**	**21,226**	$	36,731
Kel-Ex Development Ltd.		**46,926**		22,875
Northern Uranium Corp.		**293,059**		**-**
	$	**361,211**	$	59,606

Metalex shares office space with Cantex, Northern Uranium and Kel-Ex and thus have certain shared expenditures; Northern Uranium started to share the office space as of April 2014, which has resulted in reduced office and administrative fees.

Included in accounts payable of the Company are the following amounts due to related parties:

		April 30, 2015		April 30, 2014
C.F. Mineral Research Ltd.	**$**	**710,217**	$	615,659
Cantex Mine Development Corp.		**949**		1,185
Element 29 Ventures Ltd.		**34,376**		5,932
Kel-Ex Development Ltd.		**2,237,561**		2,101,855
	$	**2,983,103**	$	2,724,631

Included in receivables of the Company are the following amounts due from related parties:

		April 30, 2015		April 30, 2014
Cantex Mine Development Corp.	**$**	**3,239**	$	6,633
Kel-Ex Development Ltd.		**3,082**		10,953
Northern Uranium Corp.		**126,858**		204,032
	$	**133,179**	$	221,618

The remuneration of directors and officers is as follows:

		Years Ended April 30,		
		2015		2014
Director fees(1)	**$**	**111,177**	$	48,124
Share-based compensation(2)		**-**		334,549
Wages and benefits(3)		**113,294**		252,022
	$	**224,471**	$	634,695

(1) Directors fees are amounts accrued under the Company's deferred share unit plan as described in Note 11 (f) to the financial statements.

(2) Share-based compensation is the fair value of options granted to directors and management personnel; no stock options were granted in the current year end.

(3) Wages and benefits includes amounts paid or accrued for geological consulting fees and payroll costs due to related parties.

Risks and uncertainties

The business of mineral exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known commercial ore deposit. Certain of the Company's mineral properties are also located in emerging nations and consequently may be subject to a higher level of risk compared to developed countries. Operations, the status of mineral property rights, title to the properties and the recoverability of amounts shown for mineral properties in emerging nations can be affected by changing economic, regulatory and political situations. Other risks facing the Company include competition, environmental and insurance risks, fluctuations in metal prices, share price volatility and uncertainty of additional financing.

Financial instruments

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Cash is carried at fair value using a level 1 fair value measurement. The carrying value of receivables, accounts payable and accrued liabilities and provision for indemnity approximate their fair value because of the short-term nature of these instruments.

The Company is exposed to a variety of financial risks by virtue of its activities including currency, credit, interest rate, liquidity and commodity price risk.

Currency risk - While the Company's capital is raised in Canadian dollars, the Company is also conducting business internationally. As such, the Company is subject to risk due to fluctuations in the exchange rates for certain currencies including the United States and Canadian dollar. The Company does not use derivative financial instruments to reduce its exposure to foreign currency risk.

Credit risk - Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations.

The Company's cash is in large Canadian financial institutions and it does not have any asset-backed commercial paper. The Company's receivables consist mainly of mineral property recoveries due from joint venture partners, receivables from relates parties for shared expenditures and GST receivable due from the Federal Government of Canada. The Company is subject to the risk that its joint venture partners will default on amounts owing for their portion of exploration expenditures (April 30, 2015 - $Nil). Any such amounts defaulted would dilute that partners' interest in the exploration joint venture and would require the Company to pick up the proportionate share of future exploration expenditures. As at April 30, 2015, the Company had $133,179 in outstanding related party receivables; the Company has subsequently received all of this balance.

Interest rate risk - Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There is a very limited interest rate risk as the Company holds no material interest bearing financial obligations or assets.

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 required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

Price risk - The ability of the Company to explore its mineral properties and the future profitability of the Company are directly related to the market price of diamonds and other minerals. The Company's input costs are also affected by the price of fuel. Management monitors diamond, precious metal and fuel prices to determine the appropriate course of action to be taken by the Company.

Capital risk management

The Company includes equity, comprised of issued common shares, the convertible advance, reserves and deficit, in the definition of capital.

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company expects its current capital resources will be sufficient to complete its currently budgeted exploration programs and operations through its current operating period. Until its equity financing was recently completed, the Company had relied on extended credit terms and/or advances from a related party to fund its operations. The Company is currently not subject to externally imposed capital requirements. The Company does not pay out dividends. The Company's investment policy is to invest its short-term excess cash in secure deposits in large Canadian financial institutions.

The Company's primary objective with respect to capital management is to ensure adequate liquid capital resources are in place to fund the exploration and development of its mineral properties while maintaining its ongoing operations. To secure the additional capital to pursue these plans, the Company may attempt to raise additional funds through the issuance of debt and or equity.

Future accounting standards

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company is currently evaluating the impact, if any, that these standards might have on its consolidated financial statements.

Accounting standards issued with an unknown effective date:

IFRS 9 Financial Instruments replaces the current IAS 39 Financial Instruments: Recognition and Measurement, replacing the current classification and measurement criteria for financial assets and liabilities with only two classification categories: amortized cost and fair value.

New accounting standards

Please refer to Note 3 of the financial statements for a detailed list of newly adopted accounting policies.

Outstanding share data

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

As at August 17, 2015, the Company had outstanding 95,097,165 common shares and 6,066,000 stock options with a weighted average exercise price of $0.47 per share.