SILVER PREDATOR CORP.

MANAGEMENT DISCUSSION & ANALYSIS

FOR THE FOUR MONTHS ENDED SEPTEMBER 30, 2014

TABLE OF CONTENTS

1. BACKGROUND AND CORE BUSINESS 3
2. COMPANY HIGHLIGHTS 3
3. CORPORATE DEVELOPMENTS AND SIGNIFICANT TRANSACTIONS AND FACTORS AFFECTING RESULTS OF OPERATIONS 3
Financings 3
Changes to Management and the Board 3
Corporate Acquisition 4
Springer mining company and other assets 4
Mineral Property Transactions 4
Illinois Creek 4
Dispositions 4
4. DEVELOPMENT AND OPERATIONS REVIEW 5
Springer Tungsten, Nevada 5
Taylor Property, Nevada 5
5. OUTLOOK 6
6. SELECTED FINANCIAL INFORMATION 6
6.1 Results of operations for the four months ended September 30, 2014 6
6.2 Cash flows for the four months ended September 30, 2014 7
6.3 Summary of quarterly results 7
6.4 Financial position 7
7. LIQUIDITY AND CAPITAL RESOURCES 8
8. OUTSTANDING SHARE DATA 8
9. OFF BALANCE SHEET ARRANGEMENTS 8
10. RELATED PARTY TRANSACTIONS 8
11. CRITICAL ACCOUNTING ESTIMATES 8
12. MANAGEMENT OF FINANCIAL RISK 9
13. INFORMATION REGARDING FORWARD LOOKING STATEMENTS 10
14. SUBSEQUENT EVENTS 111

Set out below is a review of the activities, results of operations and financial condition of Silver Predator Corp. ("SPD", "Silver Predator", or the "Company") and its subsidiaries for the four months ended September 30, 2014. The discussion below should be read in conjunction with the Company's September 30, 2014 unaudited condensed interim consolidated financial statements and related notes, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board; with the Company's Management Discussion and Analysis ("MD&A") for the three months ended August 31, 2013; and with the Company's unaudited condensed interim consolidated financial statements and related notes for the three months ended August 31, 2013, which were prepared in accordance with IFRS. The accounting policies have been consistently followed in preparation of these financial statements. All dollar figures included in the following MD&A are quoted in Canadian dollars unless otherwise indicated. This MD&A is prepared as of November 7, 2014.

The Company is a reporting issuer in the Provinces of British Columbia, Alberta, and Ontario in Canada and is listed on the Toronto Stock Exchange under the trading symbol SPD.

Additional information related to the Company, including its Annual Information Form is available on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com.

The Company's website is www.silverpredator.com.

1. BACKGROUND AND CORE BUSINESS

Silver Predator's corporate mandate is to explore and develop economically viable mineral resource deposits in the leading silver districts of Nevada, USA and to advance the Springer tungsten mine and mill, also located in Nevada, USA towards production by obtaining a joint venture partner. The Company acquired interests in 9 advanced stage and development mineral properties comprising approximately 39,000 hectares in Nevada in a series of transactions that led to its Toronto Stock Exchange ("TSX") listing in April 2011. In March 2014, the Company voluntarily de-listed from the TSX and was listed on the TSX Venture Exchange.

The Company controls the Taylor silver deposit in Ely, Nevada, which hosts a current mineral resource estimate. Working within stable geopolitical jurisdictions, Silver Predator is focused on silver-dominant bulk tonnage and/or high-grade opportunities. Proven management experience plus access to geological talent provide the ability to maximize shareholder value from the quality asset base.

On February 28, 2012, the Company completed an asset purchase with Nevgold Resource Corp. ("Nevgold") through which the Company acquired all of the outstanding common shares of Nevgold. Nevgold was a public exploration company with a portfolio that includes the Cornucopia Property, located within the Cornucopia silver mining district in Elko County, Nevada, the Copper King Property located two miles north of the Lucky Friday silver mine in the Coeur d'Alene District of Idaho, and the Cordero Property located in Humboldt County, Nevada.

On April 17, 2014, the Company completed the acquisition of Springer Mining Company ("SMC") and Nevada Royalty Corporation ("NRC") from Americas Bullion Royalty Corp ("AMB") (the "Acquisition"). The assets of SMC and NRC include the Springer Mine and Springer Mill, the Taylor Mill, and other mineral properties. The Acquisition has been accounted for as an asset purchase.

2. COMPANY HIGHLIGHTS

During the period the Company:

Closed a non-brokered private placement of 19,570,000 common shares at a price of $0.07 per Share for gross proceeds of $1,369,900.

3. CORPORATE DEVELOPMENTS AND SIGNIFICANT TRANSACTIONS AND FACTORS AFFECTING RESULTS OF OPERATIONS

Financings

On December 12, 2013 the Company closed a non-brokered private placement of 12,300,000 common shares at a price of $0.05 per Share. On closing of the first tranche, 7,719,869 shares were issued for gross proceeds of $385,994. Till Capital Ltd ("Till") a company related by its shareholding in Silver Predator Corp. purchased 5,419,869 Shares.

On March 17, 2014, the Company amended the terms of the second tranche of the private placement. The second tranche of 4,580,131 shares were issued to AMB at $0.06 per share for gross proceeds of $274,807.

On July 10, 2014, the Company closed a non-brokered private placement of 19,570,000 common shares at a price of $0.07 per Share for gross proceeds of $1,369,900. Till Capital Ltd ("Till") a company related by its shareholding in Silver Predator Corp. purchased 19,000,000 Shares.

Changes to Management and the Board

SPD has appointed Clifford D. Nelson Jr. as chief executive officer and director of SPD. Mr. Nelson brings a wealth of experience in the industry having operated a variety of projects ranging in size from the 150-tonne-per-day Nixon Fork, Alaska, operation to the 40,000-tonne-per-day Robinson, Nev., operation. Mr. Nelson's appointment follows the resignation of Nathan A. Tewalt, who has stepped down in order to pursue personal business interests. Mr. Tewalt will remain a valued technical adviser and will continue to serve on the board of directors.

SPD has appointed Timothy Leybold as chief financial officer of SPD. Timothy P. Leybold will replace Anthony Jackson as Silver Predator Corp.'s chief financial officer. Mr. Leybold is a seasoned financial executive with over 20 years of experience, presently serving as CFO of Till Capital Ltd.

Corporate Acquisition

Springer mining company and other assets

On April 17, 2014, the Company completed the acquisition of SMC and NRC from AMB (the "Acquisition"). The assets of SMC and NRC include the Springer Mine and Springer Mill, the Taylor Mill, and other mineral properties. The Acquisition has been accounted for as an asset purchase.

In consideration for the acquired assets, the Company:

- issued AMB 6,892,500 common shares of the Company on closing;
- issued AMB a promissory note with a face value of US$ 4,500,000, stated interest of 4.00% per annum, payable over three years ;
- granted AMB royalty interests in the mineral properties owned by the Company prior to the Acquisition; and
- granted AMB royalty interests in the mineral properties acquired by the Company in the Acquisition.

The fair value of the consideration paid was calculated as follows, expressed in Canadian dollars:

Common shares issued on closing	$	516,938
Promissory note		4,152,069
Derivative asset		(135,997)
	$	4,533,010

The following table sets forth the allocation of the fair value of the consideration to the assets acquired and liabilities assumed:

Purchase price allocation		
Property, plant and equipment	$	4,397,310
Reclamation bonds		56,830
Mineral interests		147,915
Accounts payable and accrued liabilities		(69,045)
	$	4,533,010

In addition to the consideration paid, the Company incurred $68,635 in acquisition-related costs which were capitalized to property, plant and equipment, resulting in total PP&E additions at April 17, 2014 of $4,465,945.

Mineral Property Transactions

Illinois Creek

In May 2013, the Company entered in an option agreement with Plan B Minerals Corp. ("PBM") pursuant to which PBM may acquire the Company's interest in the Illinois Creek Property located in Alaska.

As consideration, PBM will pay the Company an aggregate US $264,500, and a total of 2,000,000 common shares of PBM, to be paid in installments through December 2016. During the year ended May 31, 2014 PBM made installments of $79,758. PBM has assumed all of the Company's liabilities and obligations under the underlying property option agreement between the Company and Piek Exploration LLC. The Company will retain a 0.5% net smelter returns royalty in the property, provided a feasibility study establishes a minimum proven mineral resource of 500,000 ounces of gold.

Dispositions

As a result of the sale, termination of option agreements, and dropping mining claims on most of the Canadian properties during the year ended May 31, 2014, the Company recorded a write down of approximately $4.2 million.

Termination of Option Agreements related to projects:

Groundhog, Cyr, Grayling, Zap

On March 31, 2014, the Company sold its 100% interest in the properties for $64,330. The difference of $1,923,060 between the consideration received for the interests and their carrying value of $1,987,390 has been written-off.

Touchdown, Pigskin, Shar

On March 31, 2014, the Company sold its 100% interest in the properties for $64,330. The difference of $1,772,279 between the consideration received for the interests and their carrying value of $1,836,609 has been written off.

McBride

Due to lack of activity on the McBride property during the year the Company recorded a write-down of $453,591.

Mr. Mark Shutty, CPG, a Qualified Person as defined by National Instrument 43-101 and a consultant for the Company, has reviewed, verified and approved disclosure of the technical information contained in this MD&A.

4. DEVELOPMENT AND OPERATIONS REVIEW

During the period, the Company reported the results its 2014 drilling program on the Taylor Project, reduced its property portfolio to focus on its core properties and increased the efforts to advance the Springer Tungsten Mine and Mill towards production by obtaining a joint venture partner.

The property portfolio was reduced from 16 properties to 11 with each of the 11 properties being scaled down in size. The annual maintenance fees were reduced from $382,000 to $180,000.

Springer Tungsten, Nevada

During the four months ended September 30th the Company focused on reducing the holding costs for Springer, increasing the Springer resource and obtaining a joint venture partner.

The Springer claims were reduced by 169 claims without negatively impacting the potentially economical tungsten resource. This represents an annual savings of $26,195 for maintenance fees. The total Springer property still exceeds 6900 acres.

A project was initiated to revisit the Springer geology with a goal of identifying additional potential high grade zones. The geology has been remapped with several areas of interest being identified. This is under review and recommendations for validation will be outlined next.

Taylor Property, Nevada

2014 Taylor Drilling Program

The 2014 spring drilling program was primarily designed to test outlying gold and silver targets to the east and southeast of the current silver resource area. In these outlying areas, 14 reverse circulation (RC) drill holes totaling 11,745 feet were completed. An additional two RC holes totaling 885 feet were completed within the resource area near the Bulls Eye target. Drilling was designed to provide an initial test of the areas identified by detailed mapping and soil sampling as previously reported. Target areas typically displayed strong precious and indicator element geochemistry, prominent silicification, known or projected faults, felsic intrusive bodies as dikes, and key host rock silty carbonate units.

The most significant results obtained from the outlying target areas were concentrated in three holes drilled from a site immediately west of the Antimony prospect area, where potential bulk-minable gold mineralization starting from surface was encountered in all three holes. Both holes drilled in the Bulls Eye target area intercepted strong silver zones in the Guilmette carbonates with significant added gold values associated with the crosscutting intrusives. Other widespread targets across the property encountered strong alteration in the upper Guilmette transition with the overlying Pilot formation in all 14 drill holes, although no ore grade mineralization was found with this initial pass.

Near-surface intercepts -- Antimony prospect area

The Antimony prospect area, named for the small pit area where antimony was intermittently mined from silica flooded carbonates of the lower Chainman formation over the past century, has a well-demonstrated gold component known previously from surface soil and rock-chip geochemistry, and limited historic drilling in the area. Three east-directed angle holes were drilled toward the prospect from a site located approximately 140 feet to the west and all three holes encountered significant gold intercepts starting at the surface as shown in the table. SPT-75 was drilled approximately 220 feet to the northwest and appears to have cut the same silicified host rocks and Antimony fault system from surface. Based on drill hole geology and detailed surface mapping in the area, this newly identified gold zone appears to be primarily bedding controlled with secondary structural controls and suggests that a sizable bulk-minable gold-only target may exist at surface throughout this area. Further drill hole delineation of this gold-enriched portion of the district will be a high priority during the next Taylor drill program.

Near Surface Intercepts: Antimony Pit Target [1], [2]					
HOLE ID	**Interval (m)**	**Gold (g/t)**	**Silver (g/t)**	**From (m)**	**To (m)**
SPT-64	18.3	0.886	Nil	6.1	24.4
including	*6.1*	*1.465*	*Nil*	*6.1*	*12.2*
SPT-65	24.4	0.683	Nil	0.0	24.4
including	*18.3*	*0.806*	*Nil*	*6.1*	*24.4*
SPT-66	18.3	1.022	Nil	0.0	18.3
including	*6.1*	*2.070*	*Nil*	*6.1*	*12.2*
SPT-75	6.1	0.272	Nil	0	6.1

(1) Grams per tonne (g/t) to troy ounces per short ton: g/t divided by 34.2857 or multiplied by .0292. Meters to feet: 1 m equals 3.28084 ft.
(2) All assays are reported as drilled intervals and are not to be interpreted as true widths

Within the current silver resource envelope at Taylor, at least two areas are currently known to exhibit economically significant gold values associated with high-grade silver zones, although gold potential is not currently included in the Taylor resource. One of these areas is along the southern portion of the Argus fault, while a more recently identified gold-bearing portion of the resource is being explored to the north in and around the intersection of the northwest-oriented Bulls Eye and north-south-trending Feeder fault zones. The Bulls Eye area precious metal distribution is unusual in that while strong silver values are associated with the silty carbonate host rocks of the upper Guilmette, anomalous gold mineralization is almost always hosted in the felsic dikes that intrude the Bulls Eye fault zone. The intercepts in SPT-61 and SPT-62 will provide additional information on the geometry of this zone as part of a targeting model that will be used for deeper drilling during the next Taylor drill program. Known receptive host rocks farther down in the Guilmette have not been tested to date, but could provide deeper high-grade potential for both silver and gold.

Resource Area Significant Intercepts: Bulls Eye Target [1], [2]					
HOLE ID	**Interval (m)**	**Gold (g/t)**	**Silver (g/t)**	**From (m)**	**To (m)**
SPT-61	47.3	Nil	50.3	19.8	67.1
including	*7.6*	*Nil*	*80.2*	*19.8*	*27.4*
and	25.9	Nil	61.1	33.5	59.5
and	3.0	0.824	82.0	83.8	86.9
SPT-62	4.6	Nil	114.3	15.2	19.8
and	*9.1*	*Nil*	*39.5*	*44.2*	*53.4*
and	12.2	0.775	88.3	71.6	83.8
including	*7.6*	*1.076*	*62.0*	*71.6*	*79.3*

(1) Grams per tonne (g/t) to troy ounces per short ton: g/t divided by 34.2857 or multiplied by .0292. Meters to feet: 1 m equals 3.28084 ft.
(2) All assays are reported as drilled intervals and are not to be interpreted as true widths

Mr. Mark Shutty, CPG, a Qualified Person as defined by National Instrument 43-101 and a consultant for the Company, has reviewed, verified and approved disclosure of the technical information contained in this MD&A.

5. OUTLOOK

The Company has a portfolio of advanced stage silver and tungsten assets and intends to advance these properties, subject to raising sufficient capital to fund its exploration programs or to secure joint venture partners to advance the Springer tungsten mine and mill toward production. There are no assurances the Company will be able to raise these funds or secure joint venture partners

6. SELECTED FINANCIAL INFORMATION

6.1 Results of operations for the four months ended September 30, 2014

The net loss for the four month period was $390,880 compared to a net loss in the three months ended August 31, 2013 of $83,537. Individual items contributing to the increase in net loss of $307,343 are as follows:

- Consulting and management fees increased by $55,370 to $72,494 (2013 - $17,124) due to increased activities related to Springer Mining Company.

- General and administrative expenses increased by $102,615 to $107,169 (2013 - $4,554) due to increased administrative activity related to the Springer Mining Company in the current period.

- Professional fees increased by $54,438 to $67,208 (2013 - $12,770) as a result of an increase in legal costs related to general corporate activity.

- Salaries and wages increased by $47,977 to $53,158 (2013 - $5,181) due primarily to the acquisition of the Springer mill.

- Share-based compensation of $28,728 (2013 – $39,555) reflects the recognition of stock option expense that is reduced in the current period as a result of a decrease in stock option grants.

- Travel increased by $24,407 to $24,407 (2013 - $nil) due to increased investor relations activity as well as increased efforts to promote the Company and financing activities.

- Foreign exchange gain of $47,670 (2013 – $130) increased in the current period due mainly from the conversion of US monetary item balances to CAD for reporting purposes.

- Interest expense of $71,004 (2013 – $nil) is mainly related to the Promissory Note issued to AMB as a part of the consideration for the acquisition of SMC.

The comprehensive loss for the period includes $nil unrealized loss on available for sale marketable securities compared to $125,000 in the previous year. This has arisen from the mark to market of marketable securities at the year-end. Comprehensive loss also includes the cumulative translation adjustment of one of the subsidiaries belonging to SPD for $312,009 (2013 - $125,181).

6.2 Cash flows for the four months ended September 30, 2014

Cash outflows from operating activities increased by $282,890 to $241,794 (2013 – inflow of $41,097) primarily due an increase in working capital requirements associated with SMC

Cash outflows from investing activities increased by $176,630 to $439,272 (2013 - $262,642) due primarily to the purchase of equipment during the period and the increase in acquisition and exploration expenditures for the mineral properties as compared with the prior year.

Cash inflows from financing activities of $1,369,900 (2013 - $nil) reflects the proceeds from the private placement closed during the current period.

6.3 Summary of quarterly results

The Company's financial statements are reported under IFRS issued by the IASB. The following tables provide highlights of quarterly results for the past eight quarters from the Company's financial statements:

	2014	FY 2014				FY 2013		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Net Sales	-	-	-	-	-	-	-	-
Net Loss	(390,880)	(8,072,746)	(1,078,547)	(91,013)	(83,537)	(741,386)	(4,504,393)	(134,629)
Basic and Diluted Net Loss per Share	(0.00)	(0.13)	(0.01)	(0.00)	(0.00)	(0.02)	(0.10)	(0.00)

6.4 Financial position

The increase in cash of $688,835 to $1,060,568 (May 31, 2014 - $371,733) results primarily from the closing of a private placement of $1,4 million offset by expenditures on mineral properties of approximately $0.2 million as well as operating cash flows of $0.2 million.

Prepaid expenses and deposits increased by $11,048 to $51,089 (May 31, 2014 - $40,041) due to increased operations activity of SMC during the period by the Company.

Receivables increased by $3,909 to $14,814 (May 31, 2014 - $10,905). This was mainly the due to higher sales tax recoverable as of the end of the current period as compared to the prior year.

Investments of $170,000 (May 31, 2014 - $170,000) consist of securities held in other companies.

Promissory note of $4,220,497 (May 31, 2014 - $4,153,113) resulted from the acquisition of SMC and NRC from AMB in April 2014 (the "Acquisition") whereby the Company issued a US$4,500,000 promissory note.

Reclamation bonds totaling $171,872 (May 31, 2014 - $173,913) were posted with the Bureau of Land Management ("BLM") in the State of Nevada and with the United States Forest Service (Nevada) as security for reclamation requirements.

Resource properties increased by $522,328 to $7,307,757 (May 31, 2014 - $6,785,429) due to additional capitalized expenditures on mineral properties during the period.

Accounts payable and accrued liabilities decreased by $148,567 to $124,555 (May 31, 2014 – $273,122) due to reduced business activities during the period.

Due to related parties of $96,023 (May 31, 2014 – $29,533) mainly relates to payables for consulting services provided during the period.

Share capital increased by $1,369,900 to $30,988,464 (May 31, 2014 – $29,618,564) primarily due to the private placement closed during the period.

Reserves increased by $28,728 to $2,673,077 (May 31, 2014 – $2,644,349) primarily due to the share-based compensation expense recognized during the four month period.

Accumulated other comprehensive gain of $999,855 results from the inclusion of the cumulative translation amount of one of the Company's subsidiaries.

7. LIQUIDITY AND CAPITAL RESOURCES

The condensed interim consolidated statements of financial position have been prepared assuming the Company will continue on a going-concern basis, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. For the four months ended September 30, 2014, the Company reported a loss of $390,880 and as at that date had a net working capital balance of $1,075,893 and an accumulated deficit of $25,223,233. The Company has no source of operating cash flows and as such the Company's ability to continue as a going concern is contingent on its ability to obtain additional financing. The ability of the Company to obtain additional financing is uncertain, casting significant doubt upon the Company's ability to continue as a going concern.

8. OUTSTANDING SHARE DATA

At the date of this report the Company has 98,961,192 issued and outstanding common shares, 5,880,750 outstanding stock options currently outstanding, vested at a weighted average exercise price of $0.25, and 500,000 outstanding warrants at a weighted average exercise price of $0.14.

9. OFF BALANCE SHEET ARRANGEMENTS

At September 30, 2014, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

10. RELATED PARTY TRANSACTIONS

Amounts paid to related parties were incurred in the normal course of business and measured at the estimated fair values.

The Company is party to service agreements with Till whereby the Company receives technical services on a cost plus recovery basis. In the four months ended September 30, 2014 the Company was charged $102,916 respectively, for these services.

The amounts due to related parties, totaled $96,023 (May 31, 2014 - $29,533), are non-interest bearing, due on demand, and were paid subsequent to the period end.

11. CRITICAL ACCOUNTING ESTIMATES

The preparation of consolidated financial statements in accordance with IFRS requires the use of certain critical accounting estimates and judgments. It also requires management to exercise judgment in applying the Company's accounting policies. These judgments and estimates are based on management's best knowledge of the relevant facts and circumstances taking into account previous experience, but actual results may differ from the amounts included in the financial statements.

Areas of estimation and judgment that have the most significant effect on the amounts recognized in the financial statements include:

Valuation of mineral properties - The Company, from time to time, acquires exploration and development properties. When a number of properties are acquired in a portfolio, the Company must make a determination of the fair value attributable to each of the properties within the total portfolio. When the Company conducts further exploration on acquired properties, it may determine that certain of the properties do not support the fair values applied at the time of acquisition. If such a determination is made, the property is written down, which could have a material effect on the balance sheet and statement of loss.

Valuation of promissory note - The fair value upon recognition of the Company's promissory note, which is not traded in an active market, was calculated using the effective interest rate method . Determination of the effective interest rate used at the date of recognition to discount the future cash flows of the promissory note requires significant judgment.

New standards not yet adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after June 1, 2014, and have not been applied in preparing these consolidated financial statements. The Company is currently assessing the impact of these standards and amendments on its consolidated financial statements.

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and amended in October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortized cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

In November 2013, the IASB issued the hedge accounting section of IFRS 9, as well as two amendments to the previously issued IFRS 9. The new hedge accounting model will align hedge accounting with risk management activities undertaken by an entity. Components of both financial and non-financial items will now be eligible for hedge accounting as long as the risk component can be identified and measured. The new hedge accounting model includes eligibility criteria that must be met but these criteria are based on an economic assessment of the strength of the hedging relationship, which can be determined using internal risk management data. New disclosure requirements relating to hedge accounting will be required and are meant to simplify existing disclosures. The IASB currently has a separate project on macro hedging activities and until that project is completed, entities are permitted to continue to apply IAS 39 for all of their hedge accounting.

IFRS 9 is effective for annual periods beginning on or after January 1, 2018. We are currently assessing the effect of IFRS 9 and related amendments on our financial statements.

IFRIC 21, 'Levies', sets out the accounting for an obligation to pay a levy that is not income tax. The interpretation addresses what the obligating event is that gives rise to pay a levy and when should a liability be recognized.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

12. MANAGEMENT OF FINANCIAL RISK

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents, receivables, loan receivable, and reclamation bonds. The Company has no significant concentration of credit risk arising from operations. Cash and cash equivalents consist of bankers' acceptances issued by major banks and corporations, for which management believes the risk of loss to be minimal. Receivables mainly consist of interest receivable from the bankers' acceptances, loan receivables, and goods and services tax refunds due from the Federal Government of Canada. Management believes that the credit risk concentration with respect to receivables is minimal. Reclamation bonds consist of term deposits and guaranteed investment certificates, which have been invested with reputable financial institutions, from which management believes the risk of loss to be minimal.

Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. The Company manages this risk by management of its working capital to ensure its expenditures will not exceed share capital financings or proceeds from property sales or options. At September 30, 2014, the Company had a working capital balance of $1,075,893. The Company has no source of operating cash flows and as such the Company's ability to continue as a going concern is contingent on its ability to obtain additional financing. The ability of the Company to obtain additional financing is uncertain, casting significant doubt upon the Company's ability to continue as a going concern.

Market risk

Market risk is the risk of loss that may arise from changes in market fluctuations such as those listed below. The fluctuations may be significant.

Interest rate risk

Interest rate risk mainly arises from the Company's cash and cash equivalents, which receive interest based on market interest rates. Fluctuations in interest cash flows due to changes in market interest rates are negligible.

Our borrowings are at fixed rates. The fair value of fixed-rate debt fluctuates with changes in market interest rates, but the cash flows do not.

Foreign currency risk

The Company's raises funds in Canadian dollars and major purchases and expenditures are transacted in US dollars. The Company also funds certain operations and exploration and administrative expenses in US dollars.

Sensitivity analysis

Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

Based on management's knowledge of and experience in the financial markets, management does not believe that the Company's current financial instruments will be materially affected by interest rate risk, foreign currency risk and price risk within the next three months. In particular, interest rate risk is remote as the interest rates on the Company's short-term investments are fixed with an interest rate range between 0.35% and 1.35% with maturity dates shorter than three months.

The Company's significant subsidiaries are located in United States and the parent company is in Canada. As a result a portion of the Company's accounts receivable, accounts payable and accruals are denominated in the US Dollar and are therefore subject to fluctuation in exchange rates.

As the Company's parent company functional currency is the Canadian dollar, a 100 basis point (one per cent) increase/ strengthening (decrease/ weakening) in the U.S. dollar at period end would have resulted in the net loss being $13,063 lower ($13,063 higher).

13. INFORMATION REGARDING FORWARD LOOKING STATEMENTS

This Management Discussion and Analysis of Financial Condition and Results of Operations contains "forward-looking information" which include, but is not limited to, information about the transactions, statements with respect to the future financial or operating performances of SPD and its projects, the future price of silver, the future price of gold, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production revenues, margins, costs of production, capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, cost and timing of plant and equipment, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation and rehabilitation expenses, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of pending litigation and regulatory matters. Often, but not always, forward-looking information statements can be identified by the use of words such as "proposes", "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of SPD and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities and feasibility studies; assumptions in economic evaluations that may prove inaccurate; fluctuations in the value of the Canadian or US dollar; future prices of silver; possible variations of ore grade or recovery rates; failure of plant or equipment or failure to operate as anticipated; accidents; labour disputes or slowdowns or other risks of the mining industry; climatic conditions; political instability; or arbitrary decisions by government authorities.

Although SPD has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this Management Discussion and Analysis of Financial Condition and Results of Operations based on the opinions and estimates of management, and Silver Predator disclaims any obligation to update any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results or otherwise. There can be no assurance that forward-looking 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.

14. SUBSEQUENT EVENTS

There were no subsequent events.