

# Resolve Ventures Inc.

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## MANAGEMENT DISCUSSION & ANALYSIS

**For the Quarter ended February 29, 2008**

Date of Report: April 25, 2008

### **Directors and Officers as at April 25, 2008:**

**Directors:** Martin Auyeung  
David Baker  
Harvey Lawson

**Officers:** David Baker, President  
Vivian Gu, CFO

**Contact Name:** David Baker

**Website:** [www.resolveventures.com](http://www.resolveventures.com)

**TSX Venture Exchange Symbol:** RSV.V

Form 51-102F1

**RESOLVE VENTURES INC.**

**MANAGEMENT DISCUSSION & ANALYSIS**

For the Quarter Ended February 29, 2008

1.1 Date of This Report

April 25, 2008

1.2 Overall Performance

*Description of Business*

Resolve Ventures Inc., formerly known as Mira Properties Ltd., is a junior company listed on the TSX Venture Exchange. The Company is engaged in the acquisition, exploration and development of resource properties. Currently, the Company's planned principal operations include the ongoing exploration of its mineral properties in Northern Quebec and Yukon, and the potential acquisition of other mineral property interests.

1.3 Selected Annual Information

The highlights of financial data for the Company for the three most recently completed financial years are as follows:

	<u>August 31, 2007</u>	<u>August 31, 2006</u>	<u>August 31, 2005</u>
(a) Net sales	-	-	-
(b) Loss before extraordinary items			
(i) Total loss	\$310,078	\$112,215	\$1,137,132
(ii) Loss per share - basic	\$0.05	\$0.02	\$0.50
(iii) Loss per share - diluted	\$0.05	\$0.02	\$0.50
(c) Net loss			
(i) Total loss	\$310,078	\$112,215	\$1,137,132
(ii) Loss per share - basic	\$0.05	\$0.02	\$0.50
(iii) Loss per share - diluted	\$0.05	\$0.02	\$0.50
(d) Total assets	\$2,149,058	\$2,375,758	\$1,286,181
(e) Total long-term liabilities	\$ -	\$ -	\$117,818
(f) Cash dividends declared per-share	N/A	N/A	N/A

#### 1.4 Results of Operations

##### *Discussion of Acquisitions, Operations and Financial Condition*

The following should be read in conjunction with the financial statements of the Company and notes attached thereto.

##### **Mineral Properties Acquired**

The Company had the following mineral property interests in Northern Quebec and Southwestern Yukon:

##### **Raglan Property**

The Company has 100% interest in 1,287 claims consisting of approximately 131,140 acres located in the Ungava area, Province of Quebec.

On 150 of these claims, the Company has the option to purchase up to 2 – ½% of the royalty, at a price of \$500,000 per one half percent, and is subject to a 3% net smelter return royalty.

On another 794 claims, the original vendors will retain a 1% net smelter return royalty on any future mineral production from the properties.

##### **Exploration Results & Future Developments:**

The 2006 exploration program included a major helicopter-supported airborne geophysical survey and minor geological mapping and mineral prospecting surveys of priority targets. Numerous electromagnetic and magnetic anomalies were identified from the airborne survey for follow-up field work in 2007. No significant nickel assays were returned for rock samples from the mapping and prospecting surveys.

##### **Klu Property:**

On September 1, 2005, the Company entered into an agreement to acquire 100% of the Klu Property Mineral Claims located in Southwestern Yukon. The Company acquired the property from Inco Limited (“Inco”) for a cash payment of \$50,000 and \$50,000 worth of the Company’s shares. The property is subject to a 2% net smelter return held by FNX Mining Company Inc.

The Company made the cash payment of \$50,000 and issued 119,047 common shares to Inco at \$0.42 per share. The Company also paid a \$10,000 finder’s fee.

##### **Exploration Results & Future Developments:**

The Klu property was assessed in view of exploration work completed to date. Work was not carried out during 2006. The majority of the claims were relinquished, although 29 claims related to the Spy showing were retained.

### ***Discussion of Operations and Financial Condition***

#### **Results of Operations**

The net loss for the six months ended February 29, 2008 was \$142,785 as compared with a net loss of \$174,647 for the six months ended February 28, 2007. During the six months ended February 29, 2008 shareholders' communication expenses, regulatory and filing fees, management fees, and consulting fees remained at the same level as in the comparative period ended February 28, 2007. Interest on convertible notes decreased by \$8,427 as the Company paid off the promissory notes during the six months ended February 29, 2008.

#### **Investor Relations Activities**

Currently, the Company has no formal arrangements in place with respect to investor relations. The directors and two consultants act as the spokespersons responding to any shareholder or investor calls. During the period, the Company issued press releases, responded to investor inquiries and conducted shareholder and investor mail outs. The shareholder communication expenses were all related to mail-outs and website maintenance, and various attendances in conferences and trade shows.

#### **Financings, Principal Purposes & Milestones**

On July 24, 2007, the Company announced that it had completed the private placement previously announced on April 18, 2007. The Company has issued 3,000,000 units of the Company at a price of \$0.18 per unit, for gross proceeds of \$540,000. Each unit is comprised of one common share of the Company and one transferable common share purchase warrant. Each warrant is exercisable into one additional common share of the Company for a period of two years from the closing date of the private placement at an exercise price of \$0.24. The shares and warrant shares were subject to a four-month hold period expiring on November 11, 2007. Finders' fees including \$5,400 cash and 137,472 Units were paid.

### 1.5 Summary of Quarterly Results

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	<u>Q2</u> <u>29-Feb-</u> <u>08</u>	<u>Q1</u> <u>30-Nov-</u> <u>07</u>	<u>Q4</u> <u>31-Aug-</u> <u>07</u>	<u>Q3</u> <u>31-May-</u> <u>07</u>	<u>Q2</u> <u>28-Feb-</u> <u>07</u>	<u>Q1</u> <u>30-Nov-</u> <u>06</u>	<u>Q4</u> <u>31-Aug-</u> <u>06</u>	<u>Q3</u> <u>31-May-</u> <u>06</u>
<b>Net sales</b>	-	-	-	-	-	-	-	-
<b>Net Income (loss):</b>								
<b>Total</b>	(\$78,977)	(\$63,808)	(\$88,069)	(\$47,362)	(\$110,572)	(\$64,075)	(\$60,873)	\$48,927
<b>Per share</b>	(\$0.008)	(\$0.007)	(\$0.01)	(\$0.01)	(\$0.02)	(\$0.01)	(\$0.01)	\$0.00
<b>Per share - diluted</b>	(\$0.008)	(\$0.007)	(\$0.01)	(\$0.01)	(\$0.02)	(\$0.01)	(\$0.01)	\$0.00

### 1.6 Liquidity

As the Company has no revenue generating projects at this time, the ability of the Company to carry out its business plan rests with its ability to secure equity and other financings. At February 29, 2008, the Company's working capital was \$64,720 compared to a working capital of \$256,802 at August 31, 2007.

The Company will require additional financing to fund any new acquisitions, exploration programs as well as its holding costs on all of its properties. The ability of the Company to successfully fund the Ungava and Klu properties and to acquire additional projects is conditional on its ability to secure financing when required. The Company proposes to meet any additional financing requirements through the exercise of outstanding warrants, or arranging other forms of equity financing. In light of the continually changing financial markets, there is no assurance that funding by equity subscriptions will be possible at the times required or desired by the Company.

### 1.7 Capital Resources

The only capital resources of the Company are its mineral properties, with a historical cost of \$1,579,980. The Company is committed to further expenditures on its properties, as detailed in Section 1.4 Results of Operations.

### 1.8 Off Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Company is committed.

### 1.9 Transactions with Related Parties

Transactions 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 February 29, 2008 and February 28, 2007, the Company entered into the following transactions with directors of the Company or companies controlled by them:

	2008	2007
Management fees	\$25,250	\$29,250
Fees for consulting services	25,425	24,875
Professional fees	9,625	-
Website maintenance	3,450	2,750

Prepaid expense include \$6,500 (2007 - \$5,428) paid to a company controlled by a director and a company controlled by an immediate family member of a director for future management fee and consulting fees.

Accounts payable and accrued liabilities include \$Nil (2007 - \$1,013) due to a director.

### 1.10 Second Quarter

The second quarter results do not differ significantly from other quarters.

### 1.11 Proposed Transactions

None.

1.12 Critical Accounting Estimates

N/A

1.13 Changes in Accounting Policies

N/A

1.14 Financial and Other Instruments

The carrying value of cash and cash equivalents and accounts payable approximate their fair values due to the short maturity of those instruments.

The Company had outstanding convertible promissory notes which bear interest at 11% calculated monthly, and the interest is payable every six months over the term of the notes. The notes were unsecured and, along with accrued interest, were convertible at the option of the holder at \$2.50 per share at any time until February 7, 2007. The Company was obligated to pay all principal and accrued interest in full on February 7, 2007; however, if the Company chooses, it may pay up to 50% of the outstanding principal within the first year, up to 75% of the principal during the second year, up to 87.5% of the principal during the third year, and up to 93.75% of the principal during the fourth year of the notes. As at February 29, 2008, the Company paid off \$130,000 in principal and \$81,385 in accrued interest with respect to the notes.

The liability component of the convertible debt is calculated as the present value of the principal, discounted at a rate approximating the interest rate that was estimated would have been applicable to non-convertible debt at the time the debt was issued. This portion of the convertible debt is accreted over its term to the full face value by charges to interest expense. The accretion is a non-cash transaction and has been excluded from the statement of cash flows.

The equity element of the convertible debt comprises the value of the conversion option, being the difference between the face value of the convertible debt and the liability element already calculated. The equity element of the convertible debt has been re-classified as contributed surplus upon the retirement of the convertible debt.

Following is a summary of the convertible notes as of February 29, 2008:

	<b>Feb. 29, 2008</b>	Aug. 31, 2007
Convertible promissory notes	\$ -	\$ 130,000
Equity portion of convertible promissory notes	-	(40,742)
	-	89,258
Interest accretion	-	40,742
Debt portion of convertible promissory notes	<u>\$ -</u>	<u>\$ 130,000</u>

#### 1.15 Other

##### *Disclosure of Outstanding Share Capital*

	Number	Book Value
Common Shares	9,389,308	\$8,397,239

##### *Summary of warrants outstanding:*

<u>Number of warrants</u>	<u>Exercise price</u>	<u>Expiry date</u>
<b>3,137,472</b>	<b>\$ 0.24</b>	<b>July 9, 2009</b>

*Additional Disclosure*

The Company is a venture issuer that has not had any revenue from operations in either of its last two financial years. The Company has capitalized all expenditures relating to the exploration of its mineral property. Details of deferred expenditures for the property are as follows:

**Raglan Property:**

	BALANCE AUGUST 31 2007	ADDITIONS	BALANCE FEBRUARY 29 2008
Acquisition costs			
Shares	\$ 179,125	\$	\$ 179,125
Cash	198,788		198,788
	<u>377,913</u>		<u>377,913</u>
Deferred exploration expenses			
Camp site	126,472		126,472
Claim staking and maintenance	205,429	49,403	254,832
Consulting	33,718	-	33,718
Equipment rental	4,304	-	4,304
Field work, supplies and mobilization	5,025	-	5,025
Fuel and storage	73,920	-	73,920
General and administration	41,789	-	41,789
Geophysical survey	622,360	-	622,360
Management fee	48,598	-	48,598
Reports and maps	18,755	-	18,755
Sampling and assays	776	-	776
Salaries and wages	7,368	-	7,368
	<u>1,188,514</u>	49,403	<u>1,237,917</u>
Refundable tax credits and mining duties	<u>(254,979)</u>		<u>(254,979)</u>
Total mineral property deferred costs	<u>\$ 1,311,448</u>	<u>\$ 49,403</u>	<u>\$ 1,360,851</u>

**Klu Property:**

	BALANCE AUGUST 31 2007	ADDITIONS	BALANCE FEBRUARY 29 2008
Acquisition costs			
Shares (119,047 at \$0.42)	\$ 50,000	\$ -	\$ 50,000
Cash	50,000	-	50,000
Finder's fee	10,000	-	10,000
	<u>110,000</u>	<u>-</u>	<u>110,000</u>
Deferred exploration expenses			
Airborne	18,185	-	18,185
Assays	1,823	-	1,823
Camp and fieldwork	11,328	-	11,328
Claim staking and maintenance	7,148	1,155	8,303
Consulting	45,740	-	45,740
General and administration	22,411	-	22,411
Equipment	340	-	340
Site visits	278	-	278
	<u>107,253</u>	<u>1,155</u>	<u>108,408</u>
Total mineral property deferred costs	<u>\$ 217,253</u>	<u>\$ 1,155</u>	<u>\$ 218,408</u>

**Summary of Mineral Properties**

	BALANCE AUGUST 31 2007	ADDITIONS	BALANCE FEBRUARY 29 2008
Acquisition costs	\$ 487,913	\$ -	\$ 487,913
Deferred exploration costs and advances	1,295,767	50,559	1,346,326
Mineral property tax credits and incentives	(254,980)	-	(254,980)
	<u>\$ 1,528,700</u>	<u>\$ 50,559</u>	<u>\$ 1,579,259</u>

*Additional information*

Additional information relating to the company is on SEDAR at [www.sedar.com](http://www.sedar.com).