

WSR GOLD INC. (FORMERLY WESTCHESTER RESOURCES INC.) MANAGEMENT DISCUSSION AND ANALYSIS

1. Introduction

This Management Discussion and Analysis (“MD&A”) relates to the financial condition and results of operations of WSR Gold Inc. (“WSR” or the “Company”) together with its wholly owned subsidiaries as of November 20, 2008, and is intended to supplement and complement WSR’s unaudited consolidated financial statements for the six month ended September 30, 2008. Readers are cautioned that the MD&A contains forward-looking statements and that actual events may vary from management’s expectations. Readers are encouraged to consult WSR’s audited consolidated financial statements and corresponding notes to the financial statements for the year ended March 31, 2008 for additional details, these financial statements which are available on the Company’s web site at www.wsrresources.ca and on www.sedar.com. These interim unaudited consolidated financial statements and MD&A are presented in Canadian dollars and have been prepared in accordance with Canadian generally accepted accounting principles (“CND GAAP”). This discussion addresses matters we consider important for an understanding of our financial condition and results of operations for the three and six months ended September 30, 2008.

This MD&A contains forward-looking statements and should be read in conjunction with the risk factors described in the “Risk Analysis” section and the “Cautionary Statement on Forward-Looking Information” at the end of this MD&A.

2. History of Business and Current Developments

WSR is a publicly listed Canadian junior resource company with mining interests in Canada. WSR was incorporated in Ontario on May 11, 1979 and was originally involved in mineral exploration.

In 2004 WSR was presented with an opportunity to acquire certain western Canadian oil and gas properties and shifted its focus to oil and gas exploration and development. Effective August 4 2004, WSR commenced trading on the TSX Venture Exchange under the symbol “WSR”.

In October of 2006, the Company had an opportunity to return to the mining industry. On October 19, 2006, WSR entered into an option agreement with Guyana Goldfields Inc. (TSX:GUY) to earn a 50 percent interest in the Peters Mine property in Guyana.

On December 8, 2006, the Company elected to focus its resources solely on the mining interests and entered into a definitive agreement to sell all of its remaining oil and gas properties to its joint venture partner. This agreement had an October 1, 2006 effective date and closed on February 9, 2007.

During fiscal 2008, the Company entered into three new agreements with Canadian junior exploration companies to expand its exploration programs in Canada and discontinued its Guyana project. The strategy aims to reduce the Company’s country risk exposure and expand its portfolio of properties in new prospective areas.

On September 10, 2008 at the annual shareholders’ meeting, WSR shareholders’ approved a resolution changing the name of the Company to WSR Resources Inc. reflecting the Company’s current and ongoing exploration and development plans. This change is subject to regulatory approval. In addition, shareholders’ approved an amendment to the Company’s stock option plan increasing the number of shares that can be reserved for issuance to insiders under the Plan to a maximum of 10% of the shares issued and outstanding at the time of the grant.

On September 11, 2008 WSR announced the signing of a definitive agreement among Golden Valley Mines Ltd, WSR and Noront Resources Limited (“Noront”) providing WSR and Noront the option to acquire from Golden Valley Mines Ltd. an aggregate 70% interest in the Luc Bourdon property located in the lowland region of James Bay, Ontario.

3. Overall Performance

WSR incurred a net loss of \$130,355 (\$0.00 per share) for the three months ended September 30, 2008, compared with \$70,517 (\$0.00 per share) for the corresponding period in 2007. For the six months ended September 30, 2008 and 2007 the Company reported a loss of \$906,858 (\$0.01 per share) compared with \$253,296 (\$ 0.00 per share) for the same period in 2007.

The main factors that contributed to the loss for the three months ended September 30, 2008 were general and administrative expenses of \$162,922 (2007 - \$99,936) and stock based compensation expenses for \$61,538 (2007 - \$nil). General and administration expenses accumulated during the six months ended September 30, 2008 and 2007 were \$ 314,087 and \$ 213,278 respectively. Stock based compensation expenses charged during the six months ended September 30, 2008 and 2007 were \$740,619 and 94,650 respectively.

Consolidated revenues for the three and six months ended September 30, 2008 were derived exclusively from interest income of \$98,041 and \$152,724 respectively compared with \$29,631 and \$55,231 respectively for the same periods in 2007.

During the six months ended September 30, 2008, the Company financed its operations by issuing 11.0 million shares under a private placement for proceeds of \$5.5 million, issuing 5.8 million flow-through units for proceeds of \$3.5 million and through the exercise of 1.9 million warrants for net proceeds of \$0.5 million.

Exploration expenditures incurred during the first six months ended September 30, 2008, excluding acquisition costs of \$0.2 million, were \$9.3 million. Included under exploration expenditures advances is \$0.5 million advanced to WSR's joint venture partner on account of expenditures to be incurred on the Tri-Eagle project. As at September 30, 2008, the Company had working capital of \$2.9 million compared to \$4.1 million as at March 31, 2008. The increase in working capital as at September 30, 2008 was related to a \$9.0 million private placement completed during April 2008 and 1.8 million warrants exercised for proceeds of \$0.5 million. See "Liquidity and Capital Resources".

4. Industry Trends

The mineral exploration and mining business is competitive in all phases of exploration, development and production. The Company competes with a number of other entities in the search for and the acquisition of productive mineral properties. As a result of competition, the majority of which is with companies with greater financial resources than the Company, the Company may be unable to acquire attractive properties in the future on terms it considers acceptable. The Company also competes for financing with other resource companies, many of whom have greater financial resources and/or more advanced properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company.

The ability of the Company to acquire properties depends on its success in exploring and developing its present properties and on its ability to select, acquire and bring to production suitable properties or prospects for mineral exploration and development. Factors beyond the control of the Company may affect the marketability of minerals mined or discovered by the Company. See "Risks and Uncertainties".

5. Results of Operations

WSR incurred a net loss of \$130,355 (\$0.00 per share) for the three months ended September 30, 2008, compared with \$70,517 (\$0.00 per share) for the corresponding period in 2007. For the six months ended September 30, 2008 and 2007, the Company reported a loss of \$906,858 (\$0.01 per share) compared with \$253,296 for the same period in 2007.

Revenues for the first two quarters of fiscal 2009 and 2008 were exclusively derived from interest income generated on short-term deposits.

For the six months ended September 30, 2008 stock base compensation expenses increased to \$740,619 from \$94,650 for the same period ended in September 30, 2007. The increase is due to both an increase in the number of options granted on fiscal 2009 of 4,475,000 options compared to 390,000 granted during the same period of fiscal 2008 and in the weighted average fair value of the option granted of \$ 0.60 compared to \$0.29 for fiscal 2008. Stock options granted during the current fiscal year are vested over a period of 18 month compared with fiscal 2008 where no vesting period was imposed, partially reducing the expense impact during the current fiscal year.

For the three months, ended September 30, 2008 consolidated general and administrative costs increased by \$62,986 when compared with the same period of fiscal 2008 from \$99,936. The increase for the six months ended September 30, 2008, compared to the same period in 2007, was \$100,809, consistent with increasing activity and the number of properties in Canada.

The following schedule provides a breakdown of general and administration expenses for the six months ended September 30, 2008 and 2007:

	<u>2008</u>	<u>2007</u>	<u>Change %</u>
Legal and accounting	\$ 108,282	\$ 81,701	32.5%
Shareholders communication	129,487	60,064	115.6%
Office and administration	74,043	35,878	106.4%
Other expenses	2,275	35,635	-93.6%
	<u>\$ 314,087</u>	<u>\$ 213,278</u>	<u>47.3%</u>

Mining Properties Operating Costs:

i) Tri-Eagle Property:

Under the Tri-Eagle property option agreement entered on November 1, 2007, the Company incurred \$0.2 million in acquisition costs. Exploration expenditures incurred during the six month ended September 30, 2008 were \$0.1 million. The Company has provided to Noront \$0.5 million advance for this exploration project that is included under exploration advances.

ii) Lowland Property:

Under the Lowland property option agreement entered on November 26, 2007, the Company incurred \$1.3 million in acquisition and exploration expenditures in fiscal 2008. During the first six months of fiscal 2009, the Company on this project incurred \$7.9 million in exploration expenditures. The principal items explaining this charge were drilling (\$3.8 million), air transportation (\$0.8 million) and geophysics (\$0.7 million) and management fees (\$0.7 million).

iii) Big-Mac Property:

Under the Big-Mac property option agreement the Company incurred \$1.7 million in acquisition cost and \$0.8 million in exploration expenditures were incurred during fiscal 2008. During the first six month of fiscal 2009, \$1.2 million were spent in this property. The principal items composing the expenditure were air transportation (\$0.7 million) and drilling (\$0.2 million).

iv) Luc Bourdon Property:

On September 11, 2008 WSR entered into an option agreement among Golden Valley Mines Ltd. ("Golden Valley"), WSR and Noront providing WSR and Noront the option to acquire from Golden Valley an aggregate 70% interest in the Golden Valley property located in the lowland region of James Bay, Ontario.

In order to acquire its 35% interest in the property, WSR made payments to Golden Valley on September 19, 2008 of \$175,000, \$25,000 in cash and by issuing 340,909 WSR shares with a fair value of \$150,000. In addition to these payments, WSR and Noront are required to incur aggregate exploration expenditures on the property of at least \$5.0 million over a three-year period, of which \$1.0 million must be incurred in the first year.

At September 30, 2008, the Company had incurred \$0.2 million in expenditures, representing WSR's share of the construction of the Oval Lake Camp installation.

The following schedule summarises the expenditures incurred in mineral interests, by project, during the first two quarter of fiscal 2009:

Mining interest - Expenditures for the six month fiscal 2009					
	Tri-Eagle	Lowland	Big Mac	Luc Bourdon	Total
Acquisition costs	\$ -	\$ -	\$ -	\$ 175,000	\$ 175,000
Exploration	72,225	7,867,986	1,159,338	167,739	9,267,288
	\$ 72,225	\$ 7,867,986	\$ 1,159,338	\$ 342,739	\$ 9,442,288

* \$1.8 million were included in accounts payable at September 30, 2008.

Mining Properties – Operating Activities:

Lowland

Drilling continued on the new Zn-Cu-Pb-Ag discovery known as the 501 project during the last quarter. WSR Resources is now the geological operator of the 501 project, while Metalex remains the administrative operator. Up to the end of the reporting period, 25 diamond drill holes totalling 5,699.4m have been completed on the 501 project on claim 4223252. The new Zn-Cu-Pb-Ag discovery remains the focus the company's exploration efforts.

Downhole and additional ground geophysics over the 501 discovery has also been completed to aid in the interpretation and geometry of the important discovery.

These exploration efforts have all been carried out from the new Oval Lake camp, constructed and managed by Matrix Aviation.

Table 1: Summary of diamond drilling on the 501 project.

Hole No.	Local E	Local N	UTM e	UTM n	Azimuth	Dip	Length
DDH501-01	L1+00E	0+50N	522314	5901524	180	-60	149
DDH501-02	L1+00E	0+00	522311	5901476	0	-90	201.2
DDH501-03	L1+00E	0+50N	522314	5901524	180	-45	146.5
DDH501-04	L1+00E	0+75S	522310	5901400	0	-45	163.1
DDH501-05	L1+00E	0+02N	522314	5901476	0	-85	182.5
DDH501-06	L1+50E	0+50N	522361	5901525	179	-65	227.5
DDH501-07	L1+50E	0+50N	522361	5901525	137	-45	158.5
DDH501-08	L1+50E	0+50N	522361	5901525	183	-45	140.2
DDH501-09	L1+50E	1+00N	522359	5901575	177	-60	249.7
DDH501-10	L2+00E	0+50N	522414	5901526	181	-62	281.7
DDH501-11	L2+00E	1+00N	522415	5901576	179	-60	146.3
DDH501-12	L2+00E	1+00N	522415	5901576	181	-60	292
DDH501-13	L1+50E	1+29N	522359	5901606	182	-60	279
DDH501-14	L1+50E	0+40S	522364	5901436	0	-55	282
DDH501-15	L1+50E	1+15S	522366	5901361	1	-55	278.7
DDH501-16	L1+75E	0+00	522387	5901475	276	-55	244.9
DDH501-17	L2+75E	0+50N	522495	5901525	267	-56	327
DDH501-18	L1+05E	0+00	522310	5901475	269	-55	239.6
DDH501-19	L1+75E	0+00	522387	5901475	271	-70	240
DDH501-20	L1+75E	0+25S	522387	5901450	272	-60	261
DDH501-21	L1+75E	0+25N	522386	5901499	267	-61	234
DDH501-22	L2+59E	0+90N	522522	5901535	240	-55	315
DDH501-23	L2+48E	0+12N	522461	5901487	232	-57	30
DDH501-24	L2+48E	0+12N	522461	5901487	232	-52	270
DDH501-25	L1+89E	1+64N	522524	5901463	235	-51	351

Preparations are being completed now to complete additional drilling with two drills on this important discovery.

Regional exploration activities continued out of the Richards Lake camp focusing on drilling anomalies as follow up from previous activities of ground and airborne geophysics, and line-cutting. To date, 2,476m have been drilled in the regional program in 16 holes.

Regional exploration from the Richards Lake camp will be terminated shortly.

A summary table of the regional drilling is found below:

Table 2: Summary of regional diamond drilling.

HOLE #	Grid	Local E	Local N	UTM e	UTM n	Azi	Dip	Length
2.11-01	2.11	5+30W	9+95N	576352	5873560	0	-90	87.3
2.11-02	2.11	4+75W	10+00N	576402	5783578	260	-60	156.1
2.11-03	2.11	3+75W	9+50N	576520	5873525	260	-45	155.7
2.11-04	2.11	5+00W	9+50N	576400	5873490	80	-50	155.6
2.11-05	2.11	3+75W	9+50N	576520	5873525	45	-50	140.9
2.11-06	2.11	1+00E	6+50N	577040	5873340	260	-50	145.1
2.11-07	2.11	0+25W	13+50N	576785	5873975	260	-50	155
2.12-01	2.12	L20+50N	0+50E	576716	5874839	0	-90	149.2
2.12-02	2.12	L20+50N	0+80E	576746	5874848	260	-60	150.9
2.12-03	2.12	L20+50N	0+00	576667	5874825	80	-60	145.4
2.13C-01	2.13C	1+00E	L1+00N			270	-55	198.5
2.13C-02	2.13C	0+75W	L1+00N			90	-50	151.5
2.13C-03	2.13C	0+25E	L1+00N			0	-90	188.3
2.13C-04	2.13C	L2+50N	1+50W	574705	5876230	270	-50	155.1
2.13D-01	2.13D	0+25E	L4+00N	575084	5877251	270	-50	179.7
2.08-01	2.08	L18+50N	0+50W	576342	5868921	280	-50	162

Tri-Eagle

The airborne electromagnetic survey (VTEM) was flown over the Tri-Eagle project. WSR will wait for the results of the geophysical survey before commencing additional exploration.

Big Mac

No additional exploration was done on the Big Mac joint venture project.

Luc Bourbon

Exploration expenditures to date on the WSR-Noront-Golden Valley Joint Venture option agreement include acquisition costs and down-payment costs for the airborne geophysical VTEM survey. Once results from the survey are complete and reviewed, additional work will be required on this joint venture.

6. Summary of Quarterly Results

The following is selected financial data from the quarterly consolidated financial statements of the Company for the last eight completed fiscal quarters ending September 30, 2008. This information should be read in conjunction with the audited annual and unaudited interim consolidated financial statements of the Company.

	2 nd Quarter September 30, 2008	1 st Quarter June 30, 2008	4 th Quarter March 31, 2008	3 rd Quarter December 31, 2007
Gross revenue	\$ 98,041	\$ 54,683	\$ 80,259	\$ 27,090
Net income (loss)	\$ (130,355)	\$ (776,503)	\$ (3,052,108)	\$ (261,416)
Net income (loss) per share – basic and diluted	\$ (0.00)	\$ (0.01)	\$ (0.03)	\$ (0.00)
	2 nd Quarter September 30, 2007	1 st Quarter June 30, 2007	4 th Quarter March 31, 2007	3 rd Quarter December 31, 2006
Gross revenue	\$ 29,631	\$ 25,600	\$ 12,802	\$ 106,338
Net income (loss)	\$ (70,517)	\$ (182,779)	\$ 146,749	\$ (823,766)
Net income (loss) per share – basic and diluted	\$ (0.00)	\$ (0.01)	\$ 0.01	\$ (0.01)

Net income (loss) over the above-noted eight quarters has ranged from a loss of \$ 3,052,108 for the three months ended March 31, 2008 to a profit of \$146,749 for the three months ended at March 31, 2007. The predominant reason for the loss during the third quarter of fiscal 2007 was due to stock options granted with a fair value of \$563,861. The profit realized during the fourth quarter of fiscal 2007 was mainly due to the impact of future income tax recoveries as a result of the issuance of flow-through shares by the Company in April of 2006. The incurred loss during the fourth quarter of fiscal 2008 is primarily attributed to the write-off of the Peters Mine Project partially offset by a \$0.7 million in future income tax recoveries resulting from flow-through shares issued in December 2007. During the first quarter of fiscal 2009, the main item affecting the loss was the grant of 4,475,000 stock options to directors and consultants of the Company, which estimated fair value was \$2.7 million, with \$0.7 million (25%) charged to stock based compensation during the first quarter of fiscal 2009. For the three month ended September 30, 2008, the most significant item was general and administrative expenses (71% of the quarter operating expenses).

7. Liquidity and Capital Resources

On December 13, 2007 the Company completed a private placement financing where an aggregate of (i) 5,925,000 flow-through units (“FT Units”) at \$0.35 per FT Unit, and 4,075,000 (“Units”) at \$0.33 per Unit, for gross proceeds of \$3.5 million.

In addition, on April 25, 2008 the Company closed a private placement for gross proceeds of \$9.0 million by issuing 11,000,000 Units at a price of \$0.50 per Unit and 5,833,331 FT Units at a price of \$0.60 per FT Unit.

As at September 30, 2008, the Company has a working capital of \$2.9 million compared to a working capital of \$4.1 million at March 31, 2008. The decrease in working capital as at September 30, 2008 was principally due to the April 25, 2008 financing for gross proceeds of \$9.0 million, the exercise of 1,629,725 warrants for proceeds of \$0.4 million and the use of \$7.9 million in exploration expenditures and advances. At September 30, 2008, cash and cash equivalents and short-term investments totalled \$4.4 million.

8. Contractual obligations:

As at September 30, 2008, the Company has four option agreements contracting the following operation obligations:

i) Tri-Eagle Property:

Incur aggregate exploration expenditures on the Tri-Eagle Property of \$5.0 million over a three-year period, of which \$1.5 million must be expended by October 30, 2008, an additional \$1.5

million on or before October 30, 2009 and a further \$2.0 million on or before October 30, 2010. The Company is currently renegotiating the terms of this obligation.

As at September 30, 2008 the Company has incurred \$72,225 in exploration expenditures and advanced to Noront \$500,000 toward the project.

ii) Lowland Property:

Under the terms of the agreement, WSR has the right to fund a maximum of \$20.0 million in expenditures on the Lowland Property over a four years period. For each \$5.0 million in expenditures, WSR will acquire 12.5% interest in the Lowland Property, up to a maximum 50% interest.

As at September 30, 2008, the Company has incurred \$9,130,915 on this project.

iii) Big Mac Property:

In order to acquire its interest in the property WSR is required to incur exploration expenditures of \$1.5 million on or before March 14, 2009 and \$1.0 million before March 14, 2010.

As at September 30, 2008, the Company has incurred \$1,971,119 on this project.

iv) Luc Bourdon Property:

In order to acquire its 35% interest in the property, WSR made payments to Golden Valley of \$175,000. In addition to these payments, WSR and Noront are required to incur aggregate exploration expenditures on the property of at least \$5.0 million over a three-year period, of which \$1.0 million must be expended in the first year.

As at September 30, 2008, the Company has incurred \$167,739 on this project.

9. Off-Balance Sheet Arrangements

The Company did not enter into any off-balance sheet arrangements during the six months ended September 30, 2008.

10. Related Party Transactions

The Company did not have any related party transactions for the six months ended September 30, 2008.

12. Changes in Accounting Policy and recent Accounting Pronouncements

A detailed summary of all the Company's significant changes in accounting policies and recent accounting pronouncements is included in Note 3 to the audited financial statements for fiscal 2008. There had been no changes to accounting policies during the three-month period ended June 30, 2008.

13. Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, receivables, deposits, payables and accruals. Unless otherwise noted, it is management opinion that the Company is not currently exposed to significant interest or credit risks arising from these financial instruments. Some of the above items are denominated in United States dollars. Balances are translated at the end of the period, based on the Company's policy as set out in Note 2 in the 2008 annual audited consolidated financial statements. The Company estimates that the fair value of its cash and cash

equivalents, receivables, deposits, payables and accruals approximate the carrying value of the assets and liabilities.

14. Recent Accounting Pronouncements

Financial Instruments

Section 3862, Financial Instruments – Disclosure and 3863, Financial Instruments – Presentation will replace Section 3861 Financial Instruments – Disclosure and Presentation, revising and enhancing disclosure requirements on the nature and extent of risks arising from financial instruments and how a company manages those risks. Beyond additional disclosure, the adoption of these new pronouncements is not expected to have any effect on the Company's financial position or results of operations.

Going Concern

Section 1400 has been amended for new requirements relating to the assessment of an entity's ability to continue as a going concern. Beyond additional disclosure, the adoption of these new pronouncements is not expected to have an effect on the Company's financial position or results of operations.

15. Shares Issued and Issuable

As at November 20, 2008 WSR had 113,176,617, common shares issued and outstanding and the following securities issuable upon exercise of convertible securities:

- (i) 10,010,831 warrants exercisable at a weighted average price of \$0.63; and,
- (ii) 6,665,000 stock options at a weighted average exercise price of \$0.73.

16. Forward Looking Statements

Certain information included in this MD&A may constitute forward-looking statements. Forward-looking statements are based on the current expectations, intentions, plans and beliefs of WSR. Forward-looking statements can often be identified by the use of forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may" and "will" or other similar words suggesting future outcomes or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. By their very nature, forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from the predictions, forecasts, and projections expressed or implied herein. The factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, general economic conditions, industry conditions, stock market volatility, volatility of commodity prices, currency fluctuations, imprecision of resource and reserve estimates, environmental risks, competition from other industry participants, lack of availability of qualified personnel or management, delays in obtaining or failure to obtain governmental, environmental or other project approvals, failure to establish estimated resources and reserves, the grade and recovery of ore which is mined varying from estimates, capital and operating costs varying from estimates and the ability to access sufficient capital from internal and external sources. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on the forward-looking statements contained herein. WSR's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that WSR will derive there from. WSR is under no obligation and has no intention to update or revise any forward-looking

statements, whether as a result of new information, future events or otherwise, except as required by law. Additional information relating to the Company is available on SEDAR at www.sedar.com.

17. Risk and Uncertainties

Conflicts of Interest

Certain of the directors and officers of WSR are engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies and, as a result of these and other activities, such directors and officers of WSR may become subject to conflicts of interest. The CBCA provides that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided under the CBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the CBCA.

Reliance on Key Individuals

WSR's success depends to a certain degree upon certain key members of the management. These individuals are a significant factor in WSR's growth and success. The loss of the service of members of the management and certain key employees could have a material adverse effect on WSR.

Exploration and Development Risk

The business of exploring for minerals involves a high degree of risk. Few properties that are explored are ultimately developed into production mines. At present, none of the Company's properties have a known body of commercial ore. Major expenses may be required to establish ore reserves, to develop metallurgical process and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining operation.

Financing Risks

The Company has limited financial resources, no operating cash flow and no assurance that sufficient funding will be available for further exploration and development of its projects or to fulfill its obligations under any applicable agreement. There can be no assurance the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties. The Company will require additional financing if ongoing exploration of its properties is warranted.

Commodity Price Risk

The future profitability of the Company is directly related to the market prices of nickel, gold and other metals (most of which are priced in US dollars). There are significant uncertainties regarding the trends in mineral prices and the availability of equity financing for the purpose of mineral exploration and development.

Government Regulation

The exploration activities of WSR are subject to various federal, provincial and local laws governing prospecting, development, production, taxes, labour standards and occupational health, toxic substance and other matters. These activities are also subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws mandate, among other things, the maintenance of air and water quality standards and land reclamation. Although WSR exploration activities are currently carried out in accordance with all applicable rules and regulations,

no assurance can be given that new rules and regulations will not be enacted or that the existing rules and regulations will not be applied in a manner which could limit or curtail production or development.

Land Title

Although titles to the Properties have been reviewed by or on behalf of WSR, no assurance can be given that there are no title defects affecting Properties. Title insurance is generally unavailable for mining claims in Canada and WSR's ability to ensure it has obtained secure claim to individual mineral properties may be limited. WSR has not conducted surveys of the claims in which it holds direct or indirect interest; therefore, the precise area and location of such claims may be in doubt. It is possible that the Properties may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims and title may be affected by, among other things, undetected defects.

Disclosure Controls and Procedures

Management has ensured that there are disclosure controls and procedures which provide reasonable assurance that material information relating to the Company is disclosed on a timely basis, particularly information relevant to the period in which annual filings are being prepared. Management believes these disclosure controls and procedures have not change during the six months ended September 30, 2008 with respect to the ones effective during the fiscal year ended March 31, 2008.