

White Pine Resources Inc.
(formerly WSR Gold Inc.)
Management Discussion and Analysis

1. Introduction

The following discussion of the financial condition and results of the operations of White Pine Resources Inc. (formerly WSR Gold Inc.) (“WPR” or the “Company”) constitutes management’s review of the factors that affected the Company’s financial and operating performance for the three months ended June 30, 2009 (“first quarter fiscal 2010”), and the comparable period last year. This discussion dated August 27, 2009 should be read in conjunction with WPR’s June 30, 2009 unaudited consolidated financial statements and notes thereto (the “financial statements”). Readers are encouraged to consult WPR’s audited consolidated financial statements and corresponding notes to the financial statements for the year ended March 31, 2009. These documents along with others published by WPR are available on SEDAR at www.sedar.com, from www.wprres.com or from WPR’s offices. 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.

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

WPR is a publicly listed Canadian junior resource company with mining interests in Canada. WPR was incorporated in Ontario on May 11, 1979 and has been involved in oil and gas and mineral exploration.

On October 19, 2006, WPR entered into an option agreement with Guyana Goldfields Inc. to earn a 50 percent interest in the Peters Mine property in Guyana.

During fiscal 2008, WPR 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 WPR’s country risk exposure and expand its portfolio of properties in new prospective areas.

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

On December 16, 2008 WPR shareholders’ approved the name change from WSR Gold Inc. to White Pine Resources Inc. and a 10 for 1 consolidation of its shares.

3. Overall Performance

During the first quarter of fiscal 2010 WPR focused on conducting limited exploration programs, mainly on its Luc Bourdon property. WPR does not have any projects that generate significant revenue at this time. WPR’s ability to carry out its business plan rests with its ability to secure equity and other financings. See “Subsequent Events” and “Trends”.

Summary of Financial Conditions

WPR incurred a net loss of \$330,471 (\$0.02 per share) for the three months ended June 30, 2009, compared with \$776,503 (\$0.07 per share) for the corresponding period in 2008.

The main factors that contributed to the loss for the three months ended June 30, 2009 were general and administrative expenses of \$109,308 and the charge for vested stock based compensation of \$252,870; compared with fiscal 2009 general and administrative expenses of \$151,165 and stock based compensation expenses of \$679,081.

Consolidated revenues for the first quarter of fiscal 2010 of \$33,293 were derived exclusively from interest income. This compares with \$54,683 for the same period in fiscal 2009 reflecting higher cash balances and interest earned during fiscal 2009.

During the first quarter of fiscal 2010, WPR financed its operations from cash available from the previous fiscal year. No equity financing was obtained during this first quarter. During fiscal 2009 the Company financed its operations by issuing 1.1 million shares under a private placement for proceeds of \$5.5 million, issuing 6,858,333 million flow-through units for proceeds of \$5.1 million and through the exercise of 187,973 warrants for net proceeds of \$0.5 million.

Exploration expenditures incurred during the three months ended June 30, 2009 was limited to \$366,618 concentrating its exploration efforts at the Luc Bourdon project; compared to \$2,385,406 incurred during the same period of last fiscal year.

As at June 30, 2009, WPR had working capital of \$0.4 million compared to \$0.5 million as at March 31, 2009. The decrease in working capital was principally due to the reduction in exploration advances (\$0.4 million) and the cash flow used in operating activities. See "Liquidity and Capital Resources".

4. Mining Properties Operating Costs:

During the year ended March 31, 2009 WPR conducted exploration programs totalling \$14.9 million. During this same period the Company conducted impairment tests on its properties and determined that the carrying value of certain properties exceeded its net recoverable amount as estimated by management, or exceeded the selling value of the property, a provision for impairment was then made. The Company also decided to discontinue its efforts in properties that considered with less merit.

During the first quarter of fiscal 2010 the Company concentrated its exploration efforts in its Luc Bourdon property. Total exploration expenditures in this property for the period were \$352,237 out of which \$241,291 were incurred in anomaly drilling and \$74,173 in Geological work.

The following schedules describe the expenditure incurred in each of WPR's projects for the three months ended June 30, 2009 and year ended March 31, 2009:

Mining interest - Expenditures for the three months ended June 30, 2009

	Lowland	Luc Bourdon	Total
Acquisition costs	\$ -	\$ -	\$ -
Exploration	7,381	359,237	366,618
Write-downs	-	-	-
	<u>\$ 7,381</u>	<u>\$ 359,237</u>	<u>\$ 366,618</u>

Year ended March 31, 2009					
	Tri-Eagle	Lowland	Big Mac	Luc Bourdon	Total
Acquisition cost	\$ 207,124	\$ 15,854	\$ 1,735,518	\$ 175,000	\$ 2,133,496
Exploration	364,412	12,216,864	1,971,338	334,813	14,887,427
Write-downs	(571,536)	(9,275,671)	(3,706,856)	-	(13,554,063)
	\$ -	\$ 2,957,047	\$ -	\$ 509,813	\$ 3,466,860

The following is a description of the financial activities for each of WPR properties:

(a) Tri-Eagle Property

Under the Tri-Eagle property option agreement entered on November 1, 2007, WPR incurred \$0.2 million in acquisition costs. Exploration expenditures incurred during the year ended March 31, 2009 were \$0.4 million. Given the existent market conditions and exploration results WPR decided to discontinue its exploration efforts on the Tri-Eagle property and wrote off \$0.6 million.

(b) Lowland Property

Under the Lowland property option agreement entered on November 26, 2007, WPR incurred \$1.2 million in acquisition and exploration expenditures in fiscal 2008. During fiscal 2009, WPR incurred on this project \$11.0 million in exploration expenditures.

As at June 30, 2009 WPR has incurred \$12.2 million on this project hence earning a 25% interest in the property; however WPR does not intend to continue with this exploration program until economic conditions are more favourable. During the third quarter of fiscal 2009 WPR conducted an impairment test on the value of this property and recorded an impairment charge of \$9.3 million. The remaining value was estimated based on actual geological results and project potential, industry average operating costs and management assessment of the probability of success for similar projects at this development stage.

(c) Big-Mac Property

Under the Big-Mac property option agreement WPR incurred \$1.7 million in acquisition costs and \$0.8 million in exploration expenditures during fiscal 2008. During fiscal 2009, \$1.2 million was spent on this property.

Given the existent market conditions and exploration results WPR decided to discontinue its exploration efforts on the Big Mac property and wrote off \$3.7 million.

(d) Luc Bourdon Property

On September 11, 2008 WPR entered into an option agreement among Golden Valley, WPR and Noront providing WPR 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, WPR made payments to Golden Valley on September 19, 2008 of \$175,000, \$25,000 in cash and by issuing 34,091 WPR shares with a fair value of \$150,000. In addition to these payments, WPR 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 June 30, 2009, WPR had incurred \$0.7 million in expenditures, primarily on drilling and, geology and the construction of the Oval Lake Camp installation.

(e) Garden Island

On February 25, 2009 WPR entered into an agreement (the "Garden Island Option Agreement") with TSR Resources Inc. ("TSR") where TSR granted WPR an option to acquire an individual 20% right, title and interest for a resulting aggregate 10% right, title and interest (the "Interest") in and to 296 mineral claims located in Piedmont, Courville, Pascalis and Senneville Townships of Quebec, which mineral claims are collectively known as the Garden Island Property (the "Property").

TSR and Noront entered into an option agreement dated July 6, 2007 and amended on July 10, 2008 (the "Noront Option Agreement"), pursuant to which Noront has acquired a 50% interest in the Garden Island Property and upon exercise of the Garden Island Option Agreement, the Property shall thereafter be held as 50% by Noront, as to 40% by TSR and 10% by WPR.

To exercise the Option and thereby acquire the Interest, WPR shall incur expenses on the Property in the aggregate amount of \$325,000 which qualify as Canadian Exploration Expenses as defined in the Income Tax Act (Canada) as directed by TSR. On March 4, 2009 WPR advanced \$325,000 to TSR for this purpose.

5. Mining Properties – Exploration Activities

(a) Lowland Property

The new Zn-Cu-Pb-Ag discovery, named the 501 project, remains the focus of WPR's exploration efforts. White Pine Resources became the geological operator of the 501 project, while Metalex remained the administrative operator. No additional exploration work has been carried out during the last quarter. Deep penetrating geophysical EM methods as well as additional drilling are anticipated for the next quarter. All future exploration efforts will be carried out of the Richards Lake camp. White Pine has demobilized out of the Oval Lake camp, managed by Matrix Aviation.

(b) Luc Bourdon Property

During fiscal 2009, WPR and Noront optioned some key ground from Golden Valley positioned around the 501 discovery. Following the signing of the agreement, the total land package was flown with an airborne geophysical VTEM survey. The subsequent results received during the third quarter of fiscal 2009 revealed some very promising anomalies. These anomalies were the focus of a regional drill program during the first quarter of fiscal 2010 quarter with the objective of determining the source of the VTEM response. A total of 12 holes were drilled at 6 different anomalies totaling 1,473m. Drill locations are tabled below:

Anomaly	Hole No.	UTM n	UTM e	Azi	Dip	Length
G4	G4-09-01	5896483	519991	120	-50	130
Bourdon West	BW-09-01	5900243	504845	0	-50	102
G1	G1-09-01	5903947	515396	315	-50	90
G1	G1-09-02	5903947	515396	315	-80	113
G1	G1-09-03	5903944	515452	335	-50	109
G1	G1-09-04	5903902	515361	335	-50	96
G1	G1-09-05	5903902	515361	335	-75	140
G3	G3-09-01	5904665	520344	0	-50	91
	G3-09-02	5904665	520344	0	-75	103
G7	G7-09-01	5901645	529784	0	-90	97
G6	G6-09-01	5902070	522500	270	-50	139
	G6-09-02	5902070	522605	270	-50	264

Several anomalies produced anomalous to significant Zn-Cu-Ag values in the drilling deeming the first phase of drilling on this joint venture a success. Follow-up geophysics and drilling is strongly warranted.

(c) Garden Island

An exploration drilling program was completed on the Garden Island project during the last quarter of fiscal 2009. Several geophysical anomalies were drilled across the large land package totaling 14 holes for 3,445m. Drill locations are tabled below:

Anomaly	Hole #	UTM_EAST	UTM_NORTH	Azimuth	Dip	Length
A-4	GI-09-01	310162	5344068	35	-55	297.0
A-1	GI-09-02	310593	5344629	35	-55	148.9
A-3E	GI-09-03	309666	5344489	35	-55	405.0
A-3W	GI-09-04	309294	5344478	35	-55	567.2
A-2	GI-09-05	308594	5345047	35	-55	480.0
J-1	GI-09-06	307700	5349500	180	-55	174.0
F-1	GI-09-07	301770	5350565	215	-55	156.0
F-2	GI-09-08	301140	5350523	215	-50	222.0
F-4	GI-09-09	300328	5350932	35	-55	252.0
E-1	GI-09-10	299975	5350100	35	-55	140.8
D-2	GI-09-11	298044	5351228	215	-55	147.0
D-1	GI-09-12	297999	5351678	215	-55	150.0
E-4	GI-09-13	302230	5349063	180	-55	174.8
S-6	GI-09-14	300462	5355593	255	-55	129.0

Compilation of the results and recommendations for future exploration plans are forthcoming.

6. Industry Trends and Going Concern

The mineral exploration and mining business is competitive in all phases of exploration, development and production. WPR 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 WPR, WPR may be unable to acquire attractive properties in the future on terms it considers acceptable. WPR 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 WPR.

The ability of WPR 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. WPR is dependent on raising funds through the issuance of shares and/or attracting joint venture partners in order to undertake further exploration and development of its mining interests. There is significant uncertainty on whether WPR will be able to further fund its exploration programs since there is no assurance it will be able to raise sufficient funds in the future. WPR's ability to continue operations and fund its exploration activities is dependent on management's ability to secure additional financing. Management is actively pursuing such additional sources of financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. See "Financial Condition" and "Risks and Uncertainties".

7. Results of Operations

WPR incurred a net loss of \$330,471 (\$0.02 per share) for three months ended June 30, 2009, compared with \$776,503 (\$0.07 per share) for the corresponding period in 2008.

Revenues for first quarters ended June 30, 2009 and 2008 were exclusively derived from interest income generated on short-term deposits.

During the first quarter of fiscal 2010 stock based compensation expense decreased to \$252,870 from \$679,081 for the same period of fiscal 2009. During the first quarter of fiscal 2009 the Company granted stock options to acquire 447,500 options with a total fair value of \$2,996,993 where approximately 25% were vested during the period. The amount imputed during the first quarter of fiscal 2010 represents options granted on prior periods and that vested during the quarter.

For the first quarter of fiscal 2010 consolidated general and administrative costs decreased by 27.7% to \$109,308 when compared to the same period of fiscal 2009. The following schedule describes general and administrative expenses for the three months ended June 30, 2009 and 2008:

Three months ended June 30,	2009	2008
Consulting	\$ 31,200	\$ -
Interest and bank charges	190	269
Legal & audit	28,626	38,518
Office and administration	18,338	21,242
Payroll	13,378	13,390
Shareholders relation	14,985	75,231
Travel and entertainment	2,591	2,515
	\$ 109,308	\$ 151,165

8. Summary of Quarterly Results

The following is selected financial data from the quarterly consolidated financial statements of WPR for the last eight completed fiscal quarters ending June 30, 2009. This information should be read in conjunction with WPR's audited annual and unaudited interim consolidated financial statements of the Company.

	1 st Quarter June 30, 2009	4 th Quarter March 31, 2009	3 rd Quarter December 31, 2008	2 nd Quarter September 30, 2008
Gross revenue	\$ 33,293	\$ 31,382	\$ 50,108	\$ 98,041
Net income (loss)	\$ (330,471)	\$ (1,606,742)	\$ (13,270,851)	\$ (130,355)
Net income (loss) per share – basic and diluted	\$ (0.02)	\$ (0.09)	\$ (1.17)	\$ (0.01)
	1 st Quarter June 30, 2008	4 th Quarter March 31, 2008	3 rd Quarter December 31, 2007	2 nd Quarter September 30, 2007
Gross revenue	\$ 54,683	\$ 25,028	\$ 27,090	\$ 29,631
Net income (loss)	\$ (776,503)	\$ (3,052,105)	\$ (261,413)	\$ (70,517)
Net income (loss) per share – basic and diluted	\$ (0.07)	\$ (0.30)	\$ (0.03)	\$ (0.01)

WPR does not consider the effects of seasonality to be significant on operations. Period to period fluctuations in net loss are the result of WPR's general operating expenses, property acquisition and exploration activities, as discussed elsewhere in the report.

9. Financial Condition

During the three month ended June 30, 2009 WPR's total assets decreased from \$5,417,707 at March 31, 2009 to \$4,953,375 at June 30, 2009. The decrease was principally due to the decrease in the Company's cash position (\$524,086) and the reduction of exploration advances (\$340,749) partially offset by the increase in capitalization of mining interest (\$366,618). The reduction in cash position was composed by \$130,706 used in operating activities, \$367,511 use in financing activities and \$25,869 used in investment activities

WPR's net working capital decreased from \$508,247 at March 31, 2009 to \$ 406,363 at June 30, 2009. All cash and short-term investments are liquid and are not invested in asset-backed commercial paper.

Based on June 30, 2009 working capital position and funds obtained in the August 25, 2009 financing, management of the Company believes that it has sufficient funds to cover its ongoing administrative and exploration expenses and to meet its liabilities for the ensuing twelve months. Management intends to obtain additional equity financing to finance general, administrative and unfunded exploration expenditures. There can be no assurance that additional capital or other types of financing will be available or that, if available, the terms of such financing will be favourable to WPR.

10. Liquidity and Capital Resources

WPR is wholly dependent on equity financing to complete the development of its mineral properties and meet its obligations under various mineral properties option agreements (see Section 17 "Risks and Uncertainties"). WPR has not generated any revenues from operations and does not expect to generate any such revenue in its next fiscal year.

On April 25, 2008 WPR closed a private placement for gross proceeds of \$9.0 million by issuing 1,100,000 units at a price of \$5.00 per unit and 583,333 flow-through units at a price of \$6.00 per flow-through unit.

On December 23, 2008 WPR completed a brokered private placement financing raising gross proceeds of \$1,068,750 by issuing 4,275,000 FT Units at \$0.25 per FT Unit. Each FT Unit consists of one FT Share and one common share purchase warrant. The warrants are exercisable at \$0.35 until December 23, 2009. All securities issued in connection with this offering are subject to a statutory hold period expiring April 24, 2009. WPR incurred \$41,733 in share issue costs in connection with this financing. On January 16, 2009 WPR completed an additional \$550,000 financing, being a supplement of the December 23, 2008 brokered private placement, by issuing 2,000,000 additional FT units at \$0.25 per FT unit. The Units issued under the supplemental financing have the same features as the ones issued under the original financing.

During the year ended March 31, 2009, 6,000 options were exercised for net proceeds of \$18,000.

Subsequent to quarter end the Company raised gross proceeds of \$2,483,750 by issuing 4,874,999 flow-through shares at \$0.45 per and 725,000 unit at \$0.45 per unit. See "Subsequent Events".

The ability of WPR to successfully acquire additional mineral projects and proceed with feasibility studies on current projects is conditional on its ability to secure financing when required. WPR proposes to meet additional capital requirements through equity financing. In light of the continually changing financial markets, there is no assurance that new funding will be available at the times required or desired by WPR.

11. Contractual obligations:

The following are WPR's contractual exploration obligations as at June 30, 2009:

(a) Lowland Property:

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

As at March 31, 2009, WPR has incurred \$12.2 million of expenditures, fulfilling its exploration obligations until May 15, 2010.

(b) Luc Bourdon Property:

In order to acquire its 35% interest in the property, WPR made payments to Golden Valley of \$175,000. In addition to these payments, WPR 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 June 30, 2009, WPR has incurred \$0.7 million of exploration expenditures on this project. WPR and Noront have deposited \$1.0 million cash in a segregated bank account managed by WPR to fund the property's 2009 exploration program. WPR has recorded a liability at June 30, 2009 of \$79,515, corresponding to Noront's outstanding share of the contribution.

(c) Garden Island:

To exercise the Garden Island Option and thereby acquire the Interest, WPR shall incur expenses on the Property in the aggregate amount of \$ 325,000 which qualify as Canadian Exploration Expenses as defined in the Income Tax Act (Canada), which expenses shall be incurred as shall be directed by TSR. Included under Exploration expenditure advances and supplies inventory is \$325,000 corresponding to an advance made by WPR on March 4, 2009 to TSR for this purpose, therefore fulfilling its obligation in full.

12. Off-Balance Sheet Arrangements

WPR did not enter into any off-balance sheet arrangements during the three months ended June 30, 2009.

13. Shares issued and outstanding

As of August 27, 2009 WPR has 23,192,659 shares outstanding, 7,805,458 warrants outstanding with a weighted average exercise price of \$1.10 and 1,499,000 options outstanding with a weighted average exercise price of \$3.24 for a total of 32,497,117 shares outstanding on a fully diluted basis.

Outstanding share information at June 30, 2009 can be found in note 7 in WPR June 30, 2009 unaudited consolidated financial statements.

14. Related Party Transactions

WPR did not have any related party transactions for the three months ended June 30, 2009 or the year ended March 31, 2009.

15. Subsequent events

On August 25 WPR closed a private placement where WPR issued 4,874,999 flow-through common shares ("FT Shares") at a price of \$0.45 per FT shares and 725,000 units ("Units") at a price of \$0.40 per Unit. Each unit consist of one common share (non flow-through) and one-half of one share purchase warrant of WPR, each whole such warrant entitles the holder thereof to acquire one additional common share of WPR for a period of 24 month at an exercise price of \$0.65.

In connection with the offering WPR paid finder's fees to certain qualified registrants assisting in the offering in the amount equal to 6.5% of the gross proceeds raised by such finder, and issued broker warrants to such finders entitling the holders to acquire such number of common shares of WPR as is equal to 6.5% of the aggregate number of FT Shares sold by such finders in the offering, at a price of \$0.45 per share, for a period of two years following the closing of the offering.

16. Risks and uncertainties

(a) Property risk

As at June 30, 2009, WPR had interests in the Low-land, Luc Bourdon and Garden Island properties (the "Properties"). Although WPR has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee WPR's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

(b) Financial risk

WPR's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate and commodity price risk).

Risk management is carried out by WPR's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. WPR's credit risk is primarily attributable to cash and cash equivalents and amounts receivable. Cash and cash equivalents consist of cash on hand and short term securities with reputable financial institutions. Financial instruments included in amounts receivable consist of sales tax receivable from government authorities in Canada and deposits held with service providers. Amounts receivable are in good standing as of June 30, 2009. Management believes that the credit risk concentration with respect to financial instruments included in cash and cash equivalents and amounts receivable is minimal.

Liquidity risk

WPR's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2009, WPR had a cash and cash equivalents balance of \$493,561 (March 31, 2009 - \$1,017,647) to settle current liabilities of \$344,720 (March 31, 2008 - \$731,451). Most of WPR's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity prices.

Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in short-term securities and marketable securities which consist of certificates of deposit, bankers' acceptances and discount notes ("fixed income"). The Company's cash balances and short-term investments bear interest at floating rates and as such are subject to interest rate cash flow risk resulting from market fluctuation in interest rates.

Foreign currency risk

WPR's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, WPR's exposure to foreign currency risk is limited to any cash balance in foreign currency. As at June 30, 2009 WPR held no foreign currency cash balances (March 31, 2009 - \$Nil).

Commodity price risk

WPR is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. WPR closely monitors commodity prices as it relates to precious and base metals to determine the appropriate course of action to be taken by WPR.

(c) Sensitivity analysis

WPR has designated, for accounting purposes, its cash and cash equivalents as held-for-trading, which are measured at fair value. Marketable securities are classified for accounting purposes as available-for-sale, which are measured at fair value. Amounts receivable are classified for accounting purposes as loans and receivables, which are measured at amortized cost which equals fair market value. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost which also equals fair market value.

As of June 30, 2009, both the carrying and fair value amounts of WPR's financial instruments are approximately equivalent.

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible" over a twelve month period:

Cash and short-term investments have floating interest rates. The impact of any interest fluctuation would have an insignificant impact on the overall cash position of the Company.

17. Future Accounting Changes

International Financial Reporting Standards ("IFRS")

In January 2006, the CICA's Accounting Standards Board ("AcSB") formally adopted the strategy of replacing Canadian generally accepted accounting principles with IFRS for Canadian enterprises with public accountability. The current conversion timetable calls for financial reporting under IFRS for accounting periods commencing on or after January 1, 2011. On February 13, 2008 the AcSB confirmed that the use of IFRS will be required in 2011 for publicly accountable profit-oriented enterprises. For these entities, IFRS will be required for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The Company is currently assessing the impact of IFRS on its consolidated financial statements.

Consolidated Financial Statements

In January 2009, the CICA released *Section 1601 Consolidated Financial Statements* which replace *Section 1600 Consolidated Financial Statements*. *Section 1601* establishes standards for preparation of consolidated financial statements. This section will apply to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Earlier adoption is permitted but must be applied together with *Section 1582 Business Combinations*. The Company is assessing the impact, if any, that the adoption of these new sections will have on its consolidated financial statements.

Business Combinations

In January 2009, the CICA released *Section 1582 Business Combinations*, which replaces *Section 1581 Business Combinations*. The new section provides the Canadian equivalent to *IFRS 3 Business Combinations*. This section applies prospectively to business combinations for which the acquisition is on or after January 1, 2011. Earlier adoption is permitted but must be applied together with *Section 1601 Financial Statements* and *Section 1602 Non-Controlling interests*. As *Section 1582* will apply only to future business combinations, it will not have a significant effect on the Company's consolidated financial statements prior to such acquisitions.

18. Special note regarding forward-looking statements

This Report contains forward-looking statements that are based on beliefs of its management as well as assumptions made by and information currently available to management of the Company. When used in this Report, the words "estimate", "believe", "anticipate", "intend", "expect", "plan", "may", "should", "will", and the negative thereof or other variations thereon or comparable terminology are intended to identify forward-looking statements. Such statements reflect the current views of the Company with respect to future events based on currently available information and are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in those statements. Such risks and uncertainties include those set forth under "Risks and Uncertainties" above. The statements contained in this Report speak only as of the date hereof. The Company does not undertake any obligation to release publicly any revisions to these statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.