

ROCKCLIFF RESOURCES INC.

Management's Discussion and Analysis

For the Period Ended May 31, 2011

(Prepared as at July 28, 2011)

The following discussion of financial condition, changes in financial condition and results of operations has been prepared by the Company's management. This document is intended to accompany the unaudited interim consolidated financial statements as at May 31, 2011 and should be read in conjunction with those financial statements.

EXECUTIVE SUMMARY

Rockcliff Resources Inc. is a Canadian resource exploration company focused on discovery and advancement of its high-quality mineral assets at its Snow Lake Project. Rockcliff presently controls the Snow Lake Project totaling in excess of 500 km² located within and proximal to the Snow Lake Mining Camp. The project presently hosts five high grade copper deposits and several other properties with "blue sky" copper potential. The deposits include one with a completed NI 43-101 Indicated Resource (Rail Copper Deposit), two former VMS Mines (Spruce Point and Dickstone Copper Mines), the historic Lon Copper Deposit and the Tower Copper Deposit.

In addition, the Company has a package of gold assets that includes one former gold mine (Century Mine) and one gold deposit (C-Zone) in Manitoba and the Black Gold Property in Ontario. The Company has been seeking alternate ways to better facilitate the development of these gold assets given the level of attention that the Snow Lake VMS project warrants.

During the third quarter Goldpath Resources Inc. was incorporated as a wholly-owned subsidiary of Rockcliff. The disclosures in this document and in the interim financial statements are presented on a consolidated basis including all assets and liabilities of Goldpath and all revenues and expenses arising since its inception on May 11, 2011.

The Snow Lake VMS Project

A review of the Company's financial information will reveal that we were very busy during the recently concluded quarter and, as usual, the focal point was the Snow Lake VMS Project. As part of the aggressive exploration program that was in full swing there were three drill rigs working to investigate targets on the Tower, Lon and Freebeth properties. In addition to this the Company also conducted VTEM airborne surveys at the Tower, Dickstone, Dickstone North and Rail North properties and DPEM surveys at the Lon and Tower properties. Each of these properties is believed to have excellent prospects for containing extensive copper-rich mineralization.

At the Tower property the drilling consistently intersected high grade copper mineralization at the Tower Deposit. The program expanded the area being tested and the results continued to come back very positive. Stepout holes were drilled and once again the results indicated pervasive high grade copper mineralization across a strike length of over 600m and to a vertical depth of 300m. The Tower Copper Deposit is a high grade VMS system that remains open in all directions. The results also suggest that significant potential exists for further discoveries along strike and at depth and adjacent to the deposit. DPEM geophysical surveys discovered anomalies (T-1A, T-1B, and T-3) which have similar geophysical signatures as the Tower Copper Deposit. Future exploration and drilling of this property will attempt to better define the limits of the mineralization of the Tower Deposit as well as determine the conductivity of the nearby anomalies.

Work conducted at the Lon property included the completion of the winter drill program and a DPEM survey over the historic Lon Copper Deposit. A total of 15 drill holes were completed consisting of over 5,000 metres of drilling across a strike length of 150m and to a vertical depth of over 300m. Very favourable results were obtained, particularly when considering it was the inaugural drill program for the property. The testing of the cores revealed that high grade copper and zinc are present. The DPEM survey identified untested extensions along strike and at depth of the deposit. Future drill programs will focus on attempting to define the area of mineralization associated with the deposit.

ROCKCLIFF RESOURCES INC.

Management's Discussion and Analysis

For the Period Ended May 31, 2011

(Prepared as at July 28, 2011)

The Snow Lake VMS Project – (continued)

While all of these results were a positive advancement in the above properties, the Company was also completing some final work at its Reed and Kofman properties. Exploration completed to date on these properties did not justify advancing both properties. As a result, the Reed and Kofman properties were returned back to HudBay Minerals.

Additional exploration at the Snow Lake Project included property compilation of the recently acquired Dickstone Copper and Spruce Point Copper mines and VTEM airborne geophysical surveys at the Dickstone Copper Mine, Dickstone North and Rail North properties. The results of the airborne surveys identified numerous VTEM anomalies for follow up exploration which will initially include ground truthing and geological mapping the anomaly areas to determine the source of the anomalies.

Gold Properties

Work conducted at the Gold Dust property focused on three areas with significant gold potential. The Company completed line cutting and magnetometer and induced polarization (IP) surveys over these areas. The surveys were successful in outlining several areas with geophysical anomalies associated with surface gold showings. Additional exploration at Gold Dust including geophysics, geological ground work and diamond drilling will determine the property's potential to host significant quantities of gold.

In Ontario, the Company completed its first phase exploration program at the Black Gold property. Exploration included line cutting and a magnetometer and induced polarization (IP) survey centered on the high grade surface showing known as the White-Kerry occurrence. This survey revealed a significant IP anomaly with strike and depth potential associated with the White-Kerry occurrence. Preliminary dimensions of the anomaly measured 350m long by 100m wide beginning at surface to a minimum depth of 100m. The White-Kerry occurrence is associated with pervasive quartz stockworks in a mineralized (pyrite) mafic volcanic host rock that returned significant grab sample gold grades up to 50g/t. Visible gold was also noted in surface samples. The Black Gold property is expected to provide an excellent open pit gold opportunity and exploration intending to advance this gold prospect is scheduled to begin in the near future.

OUTLOOK

Management believes that further exploration of its Snow Lake Project and gold properties are strongly warranted. Future exploration programs will focus on properties with the greatest potential for significant advancement. Ongoing exploration programs are presently being planned for its five high grade copper deposits and "blue sky" properties. With successful continued exploration advancement of its properties, Rockcliff's ultimate goal of an advanced staged exploration Company becoming a mine finding Company will eventually be realized.

OVERVIEW

The Company operates a single business segment which is engaged in the exploration for base and precious metals in Manitoba and Ontario. The management of the Company has not changed since the fiscal year end and is comprised of the following individuals:

<u>Name</u>	<u>Position(s) Held</u>
Ken Lapierre, P. Geo	Director, CEO, President
David Constable, B. Sc., MBA ⁽²⁾	Director (Chairman)
William R. Johnstone, LL.B ⁽¹⁾	Director, Corporate Secretary
Timothy Campbell ⁽²⁾	Director
Denis Arsenault, C.A. ⁽¹⁾⁽²⁾	Director
Glenn Bowman, F.C.A. ⁽¹⁾	Director
Mark Smethurst, M. Sc., P. Geo	VP Exploration
Mike Kindy, C.A.	CFO

⁽¹⁾ Member of the Company's Audit Committee

⁽²⁾ Member of the Company's Compensation Committee

ROCKCLIFF RESOURCES INC.

Management's Discussion and Analysis

For the Period Ended May 31, 2011

(Prepared as at July 28, 2011)

SELECTED FINANCIAL DATA

	For the fiscal years ended:			
	<u>Aug. 10</u>	<u>Aug. 09</u>	<u>Aug. 08</u>	
Revenues	5,058	27,921	27,756	
Net (loss) income from operations	(3,115,418)	(866,654)	(560,029)	
Per share	(0.07)	(0.03)	(0.02)	
Net (loss) income for the period	(2,492,399)	(776,854)	322,637	
Per share	(0.06)	(0.03)	0.01	
Mineral resource properties	8,380,889	8,429,401	7,093,292	
Total assets	10,041,123	9,454,402	10,383,078	
Total liabilities	1,923,785	1,798,445	2,117,672	
	For the three month periods ended:			
	<u>May 11</u>	<u>Feb. 11</u>	<u>Nov. 10</u>	<u>Aug. 10</u>
Revenues	5,993	1,558	2,915	2,271
Net loss from operations	(215,254)	(2,102,727)	(384,800)	(1,456,018)
Per share	(0.00)	(0.03)	(0.01)	(0.03)
Net loss for the period	(105,651)	(1,519,925)	(308,426)	(1,128,545)
Per share	(0.00)	(0.02)	(0.01)	(0.02)
Mineral resource properties	10,237,266	8,462,899	9,095,405	8,380,889
Total assets	12,308,925	12,179,217	10,039,275	10,041,123
Total liabilities	2,200,795	2,764,217	1,963,400	1,923,785
	<u>May 10</u>	<u>Feb. 10</u>	<u>Nov. 09</u>	<u>Aug. 09</u>
Revenues	2,439	5	343	408
Net loss from operations	(179,180)	(1,317,273)	(162,947)	(262,589)
Per share	(0.00)	(0.03)	(0.01)	(0.01)
Net loss for the period	(158,216)	(1,051,507)	(154,131)	(289,299)
Per share	(0.00)	(0.02)	(0.01)	(0.01)
Mineral resource properties	9,561,610	8,926,338	9,731,313	8,429,401
Total assets	11,458,212	11,797,571	10,152,784	9,454,402
Total liabilities	2,219,585	2,526,842	2,111,406	1,798,445

The Company reported no long-term financial liabilities or dividends during the periods noted above.

RESULTS OF OPERATIONS

The Company's operational focus continues to be on the acquisition, exploration and advancement of mineral resource properties. Consequently the Company has no source of operating revenue. The absence of operating revenue ensures that operating losses will continue to be incurred. For the periods ended May 31, 2011 the Company reported losses, before income taxes, of \$215,254 for the three month period and \$2,702,781 for the nine months then ended.

As has become the norm, the operating losses exceed the net losses for the period because of the impact of future income tax recoveries. Each time that the Company completes a flow through financing, it renounces exploration expenditures in favour of its investors, and does so in an aggregate amount equal to the flow through proceeds. This means that these expenditures will not be available to offset mining profits in future periods should they arise. In recognition of this the Company records an estimate of the income taxes it may incur in the future at the time the expenditures are renounced. Once this liability is recognized it is then adjusted in each period to give effect to changes in income tax rates and to the income tax effect of any valuation allowances that may be recorded. These adjustments typically result in a reduction of the liability and an equal recovery of future income tax expense. It is this expense recovery that causes the net loss in most periods to be less than the loss from operations. Given that the Company anticipates continuing to raise money using flow through financings it is probable that this expense recovery will continue to arise in future periods.

ROCKCLIFF RESOURCES INC.

Management's Discussion and Analysis

For the Period Ended May 31, 2011

(Prepared as at July 28, 2011)

RESULTS OF OPERATIONS – (continued)

The Company generates incidental interest income through the short-term investment of available cash in easily terminable interest bearing vehicles. Although the Company will continue to take advantage of these opportunities whenever it is able to do so, the resulting revenues are inconsequential and wholly reliant upon the amount of cash available to invest and the prevailing market rates of interest.

The Company has acquired a number of its mineral resource properties by entering into option agreements with the parties that hold title to suitable areas of interest. These option agreements generally require annual cash payments and often have exploration requirements. It is also very common for these financial commitments to escalate as time elapses. The Company makes a point of evaluating the feasibility and prospects for optioned properties on a regular basis but with a greater emphasis in the period immediately prior to the due date for payments and new minimum exploration requirements. During the third quarter the Company returned two properties to their owners and surrendered all rights and obligations that it may have had as a result of the corresponding option agreements. Although the carrying value that existed at the end of the second quarter was charged to income at that time there were additional costs incurred subsequently which resulted in a valuation allowance in the amount of \$109,291 being recognized in the most recent fiscal quarter. A similar situation arose during the May 2010 period and caused a valuation allowance of \$31,042 to be recognized at that time. Valuation allowances are unpredictable as to timing and magnitude and it should be expected that they will vary from period to period and from year to year.

The Company did not grant any stock options during the most recent fiscal quarter and therefore did not record any stock option compensation expense. There had been options granted earlier this fiscal year and as a result there is compensation expense of \$227,163 included in the loss reported for the nine month period. There was also compensation expense reported in both the three and nine month periods ended May 2010. Employee and consultant stock options are granted by the Board of Directors, primarily at their discretion. While it is conceivable that a grant schedule could be introduced at a future date none exists presently. This means that the amount, if any, of compensation expense incurred in a particular period, will be dependant upon market conditions as well as the timing and magnitude of future option grants.

Consulting fees for the current quarter amounted to \$34,408 and is quite comparable to the \$32,410 which was incurred during the same period one year earlier. It seems that the Company, which obtains all services through consultancy agreements, may have achieved a plateau over the past few fiscal periods in terms of the nature and extent to which consultants' services are required. The fact that the year to date amount of \$96,433 is a fair bit higher than the \$73,818 incurred for the nine months ended May 2010 demonstrates that this periodic consistency is a fairly new phenomena.

Professional fees, like consulting fees, are quite comparable between years as they amounted to \$24,772 at May 2011 and \$23,065 at May 2010. In a further similarity we again encounter a situation where nine-month totals for 2011, which are \$97,324, are a fair bit higher than the 2010 amount of \$69,084. While there has been consistency in recent periods the extent to which professional services are required remains subject to change

Regulatory fees have not achieved the same level of consistency that we are beginning to experience with both consulting and professional fees. This cost category includes fees charged by regulators, stock exchanges, news wires and the Company's transfer agent. They are about 30% lower in the third quarter of 2011 than they were in May 2010 but are still about 24% higher in 2011 on a year to date basis. Some of the year to date increase is attributable to the increase in the number of shares the Company has outstanding as this has an impact upon some regulatory fees. The fees incurred in any particular period are reflective of the number of securities based transactions undertaken and the volume and frequency with which the Company communicates with the market.

ROCKCLIFF RESOURCES INC.

Management's Discussion and Analysis

For the Period Ended May 31, 2011

(Prepared as at July 28, 2011)

RESULTS OF OPERATIONS – (continued)

A general review of all of the other expense categories finds them to be reasonably comparable from one period to the next with variances not being of sufficient magnitude to warrant in-depth analysis. All expenses are reviewed regularly and are within the expectations of management.

MINERAL RESOURCE PROPERTIES

On May 31, 2011 the carrying value of the Company's mineral resource properties consisted of the following:

	Manitoba VMS Properties	Manitoba Gold Properties	Ontario Gold Property	Ontario Shihan Property	All Properties
Acquisition costs	\$ 876,821	\$ 156,169	\$ 86,922	\$ 237,400	\$ 1,357,312
Exploration costs	11,019,463	442,674	116,026	1,183,128	12,761,291
Government grants	(396,412)	-	-	-	(396,412)
Valuation allowances	<u>(2,064,397)</u>	<u>-</u>	<u>-</u>	<u>(1,420,528)</u>	<u>(3,484,925)</u>
Carrying value	<u>\$ 9,435,475</u>	<u>\$ 598,843</u>	<u>\$ 202,948</u>	<u>\$ -</u>	<u>\$10,237,266</u>

The Manitoba VMS Properties can be further subdivided as follows:

	HudBay Properties	Jackfish Property	Tower Property	Dickstone Property	Dunlop Reed Property	Staked Properties	Manitoba VMS Properties
Acquisition costs	\$ 233,962	\$ 93,405	\$ 362,696	\$ 50,000	\$ 23,351	\$ 113,407	\$ 876,821
Exploration costs	6,437,355	691,205	1,576,016	98,390	19,541	2,196,956	11,019,463
Valuation allowance	(2,064,397)	-	-	-	-	-	(2,064,397)
Government grants	<u>(275,579)</u>	<u>(21,968)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(98,865)</u>	<u>(396,412)</u>
Carrying value	<u>\$ 4,331,341</u>	<u>\$ 762,642</u>	<u>\$ 1,938,712</u>	<u>\$ 148,390</u>	<u>\$ 42,892</u>	<u>\$ 2,211,498</u>	<u>\$ 9,435,575</u>

The Company follows the recommendations of Canadian GAAP, whereby a valuation allowance is claimed relative to mineral resource properties for which no significant exploration has been completed for a period of three years. As a result of following this policy the carrying value of the Company's Shihan Property was reduced to \$Nil as at August 31, 2010. In the event that additional charges are incurred on this property a new valuation will be completed and may result in the recognition of an additional valuation allowance. During the current period exploration valued at \$66,216 was completed and a corresponding valuation allowance was recognized. The amounts listed above do not include any expenditures or valuation allowances related to properties that were abandoned prior to August 31, 2010.

These amounts, and any future costs, will be deferred and reported as an asset of the Company until such time that the properties are brought to commercial production, sold, disproved or abandoned at which time an appropriate amount will be charged against income.

As at May 31, 2011, and as at the date of this document, each of the Company's mineral resource property options, claims and licenses are in good standing.

LIQUIDITY

There were no new financings completed during the most recent fiscal quarter however the Company received proceeds of \$791,031 from share issuances that resulted from the exercise of 4,261,000 share purchase warrants, 346,295 agents' units, 394,670 underlying warrants, and 300,000 stock options. The vast majority of the rights exercised were scheduled to expire during the period and the balance was scheduled to expire June 2011. The Company has no influence over the timing or extent to which any party chooses to exercise options, warrants, or units and does not rely upon this as a form of financing.

ROCKCLIFF RESOURCES INC.

Management's Discussion and Analysis

For the Period Ended May 31, 2011

(Prepared as at July 28, 2011)

LIQUIDITY – (continued)

Since the Company currently has no source of revenues, or other means of generating cash from operations, it will remain reliant upon its ability to raise financing, through private or public sources, in order to satisfy its obligations as they become due. Although the Company has been successful to date in obtaining the financing that it has required there is no assurance that it will be successful in completing future financing transactions which will be required in order to satisfy its exploration and operating commitments.

CAPITAL RESOURCES

The Company has not entered into any commitments to acquire equipment however it does have exploration expenditure and option payment commitments, as described in the following section, which must be satisfied in order to maintain and secure its interests in the mineral resource properties that are subject to property option agreements. It is certain that the Company will require additional financing in order to meet these commitments.

COMMITMENTS

In March 2007 the Company entered into four option agreements to acquire a 100% working interest, subject to a 2% Net Smelter Returns Royalty, in four HudBay properties, located near Snow Lake Manitoba. Two of these properties were returned to HudBay in March 2011. In accordance with the terms of the two remaining agreements, the Company is required to make the following aggregate payments, on or before the following date, in order to secure its interest in the properties:

	<u>Cash</u> <u>Payments</u>	<u>Exploration</u> <u>Expenditures</u>
March 22, 2012	\$ 310,000	\$ -

In March 2011 the Company made cash payment of \$90,000 and satisfied the remaining expenditure requirements and the agreements are currently in good standing.

In September 2007 the Company entered into an option agreement to acquire a 100% working interest, subject to a 3% Net Smelter Returns Royalty, in the Jackfish Nickel Property in the Snow Lake District of Manitoba. In accordance with the terms of the agreement, the Company is required to make the following payments, on or before the following date, in order to secure its interest in the property:

	<u>Cash</u> <u>Payments</u>	<u>Common</u> <u>Shares</u>
September 17, 2011	\$ 45,000	20,000

Prior to May 31, 2011 the Company had satisfied all exploration expenditure requirements stipulated in the option agreement and the agreement is currently in good standing.

In February 2008 the Company entered into an option agreement to acquire a 70% working interest, subject to a 2% Net Smelter Returns Royalty, in the Tower VMS Property in the Thompson Nickel Belt in Manitoba. On March 1, 2010 the parties executed an amendment to the original option agreement which served to establish the following commitment dates. In accordance with the terms of the agreement, the Company is required to make the following payments, on or before the following dates, in order to secure its interest in the property:

	<u>Cash</u> <u>Payments</u>	<u>Exploration</u> <u>Expenditures</u>
March 26, 2012	\$ 30,000	\$ 2,000,000
March 26, 2013	30,000	-
March 26, 2014	30,000	2,000,000
	<u>\$ 90,000</u>	<u>\$ 4,000,000</u>

In March 2011 the Company made cash payment of \$30,000 and satisfied the requirement that it complete a minimum of 2,000 metres of drilling on the property. The agreement is currently in good standing.

ROCKCLIFF RESOURCES INC.

Management's Discussion and Analysis

For the Period Ended May 31, 2011

(Prepared as at July 28, 2011)

COMMITMENTS – (continued)

In November 2009 the Company entered into three option agreements to acquire a 100% working interest, subject to a 2% Net Smelter Returns Royalty, in three properties, located near Snow Lake Manitoba, that are collectively referred to as the Gold Dust Property. The agreements are currently in good standing but in accordance therewith the Company is required to make the following aggregate payments, on or before the following dates, in order to secure its interest in the properties:

	Cash <u>Payments</u>	Common <u>Shares</u>	Exploration <u>Expenditures</u>
December 29, 2011	\$ 35,000	90,000	\$ 225,000
December 29, 2012	45,000	90,000	300,000
December 29, 2013	65,000	90,000	375,000
To December 2019 ⁽¹⁾	<u>120,000</u>	<u>-</u>	<u>300,000</u>
	<u>\$ 265,000</u>	<u>270,000</u>	<u>\$ 1,200,000</u>

⁽¹⁾ From December 2014 through December 2019 the Company is required to make annual cash payments of \$20,000 and the aggregate exploration expenditure requirement increases by \$50,000. The annual cash payments of \$20,000 will continue after December 2019 provided the Company retains its interest in the property. Each annual \$20,000 payment, commencing with the one paid December 2010, represent a non-refundable advance royalty payment which can be applied as a pre-payment against the net smelter returns royalty, if any.

In March 2010 the Company entered into an option agreement to acquire a 100% interest, subject to a 2% net smelter returns royalty, in the Dunlop-Reed Property, located in the Snow Lake District in Manitoba. In accordance with the terms of the agreement, the Company is required to make the following payments, on or before the following dates, in order to secure its interest in the property:

	Common <u>Shares</u>
March 3, 2012	25,000
March 3, 2013	<u>25,000</u>
	<u>50,000</u>

In March 2011 the Company made a payment of 25,000 common shares and the agreement is currently in good standing.

In October 2010 the Company entered into an option agreement to acquire a 100% interest, subject to a 3% net smelters return royalty, in the Black Gold Property, located near Timmins, Ontario. In accordance with the terms of the agreement, the Company is required to make the following payments, on or before the following dates in order to secure its interest in the property:

	Cash <u>Payments</u>	Common <u>Shares</u>	Exploration <u>Expenditures</u>
October 2011	\$ 50,000	200,000	\$ 50,000
October 2012	50,000	200,000	50,000
October 2013	50,000	200,000	50,000
October 2014	<u>50,000</u>	<u>200,000</u>	<u>350,000</u>
	<u>\$ 200,000</u>	<u>800,000</u>	<u>\$ 500,000</u>

Advance royalty payments of \$50,000 per year commence after a positive feasibility study has been completed. The agreement is currently in good standing

In January 2011 the Company entered into an option agreement to acquire a 100% interest, subject to a 2% net smelter returns royalty, in the Dickstone Property, located in the Snow Lake District in Manitoba. The Company made a payment of \$50,000 upon execution of the agreement and, in accordance with the terms thereof, is required to make the following payments, on or before the following dates, in order to secure its interest in the property:

ROCKCLIFF RESOURCES INC.

Management's Discussion and Analysis

For the Period Ended May 31, 2011

(Prepared as at July 28, 2011)

COMMITMENTS – (continued)

	<u>Exploration Expenditures</u>
January 31, 2012	\$ 500,000
January 31, 2013	1,000,000
January 31, 2014	1,000,000
January 31, 2014	<u>1,000,000</u>
	<u>\$ 3,500,000</u>

The agreement is currently in good standing.

In February 2011 the Company entered into an option agreement to acquire a 100% working interest, subject to a 2% Net Smelter Returns Royalty, in the Spruce Point Property, located in the Snow Lake District in Manitoba. In accordance with the terms of the agreement, the Company is required to make the following payments, on or before the following dates, in order to secure its interest in the property:

	<u>Cash Payments</u>	<u>Exploration Expenditures</u>
February 10, 2012	\$ 10,000	\$ 200,000
February 10, 2013	20,000	400,000
February 10, 2014	120,000	800,000
February 10, 2015	<u>350,000</u>	<u>1,000,000</u>
	<u>\$ 500,000</u>	<u>\$ 2,400,000</u>

The agreement is currently in good standing.

In accordance with the terms of the December 2010 financing the Company is required to incur and pay for exploration expenditures on its mineral resource properties in the aggregate amount of \$3,000,000 no later than December 31, 2011. As at May 31, 2011 the Company had paid \$528,179 leaving a balance of \$2,471,821 to be satisfied prior to the deadline. A similar commitment in the amount of \$2,000,000 arose from the financing completed December 2009 and this commitment was satisfied during December 2010.

The Company has signed a lease for its administrative office in Toronto, Ontario which expires December 31, 2011 and requires monthly comprehensive lease payments of \$2,000 per month, each of which has been prepaid. It also has leased a facility for use as both a field office and accommodations in Snow Lake Manitoba which requires monthly payments of \$800, plus applicable utilities, until July 31, 2011 and is renewable thereafter. The base rent has been prepaid until December 2011. A second facility in Snow Lake Manitoba, which is used for the storing and cataloguing of drill core removed from its mineral resource properties, is rented at a monthly cost of \$1,500 plus applicable realty taxes and utilities.

TRANSACTIONS WITH RELATED PARTIES

The following related parties had transactions with the Company during the period or have outstanding balances at the end of the period:

- Lapierre Exploration Services ("Lapierre") is a company that is owned and operated by a Director.
- Geodigital Mapping Systems Inc. ("Geodigital") is a company owned and operated by an individual who was a Director and Officer of the Company until September 14, 2010.
- Gardiner Roberts LLP ("Gardiner") is a legal firm in which a Director of the Company is a partner.
- Public Company Services Inc. ("Public") is a company owned and operated by a Director.
- Cryo-Line MDI Inc. ("MDI") is a company owned and operated by a senior Officer

All transactions with related parties are in the normal course of operations, have been carried out on the same terms as those accorded to unrelated parties and have been recorded at exchange amounts established and agreed to by the related parties.

ROCKCLIFF RESOURCES INC.

Management's Discussion and Analysis

For the Period Ended May 31, 2011

(Prepared as at July 28, 2011)

TRANSACTIONS WITH RELATED PARTIES - (continued)

As at May 31, 2011 there was \$Nil (August 2010 – Nil) included in accounts receivable and \$67,638 (August 31, 2010 - \$70,039) included in accounts payable and accrued liabilities as a result of these transactions:

		May 31 <u>2011</u>	May 31 <u>2010</u>
Lapierre	Exploration expenditures	\$ 164,198	\$ 142,085
Lapierre	Consulting fees and expenses	-	14,090
Lapierre	Disposal of property, plant and equipment	(221)	-
Geodigital	Exploration expenditures	-	141,465
Geodigital	Consulting fees and expenses	-	5,429
Geodigital	Disposal of assets ⁽¹⁾	-	7,687
Gardiner	Professional fees	79,549	61,009
Gardiner	Stock issuance fees	22,500	14,414
Public	Consulting fees	20,000	12,500
MDI	Consulting fees	46,013	36,119

CONVERTIBLE INSTRUMENTS AND OTHER SECURITIES

The Company has the following securities issued. The amounts shown represent the actual cash proceeds or other compensation received as a result of their issuance:

	<u>Quantity</u>	<u>Amount</u>
Common shares at August 31, 2009	29,408,893	\$ 7,759,670
Shares issued under private placement ⁽¹⁾	5,000,000	500,000
Less: cash expenses associated with offering		(42,500)
Less: value attributed to agents' units		(32,975)
Less: value attributed to associated warrants		(151,869)
Shares issued under private placement ⁽²⁾	13,000,000	3,000,000
Less: cash expenses associated with offering		(202,208)
Less: value attributed to compensation warrants		(152,558)
Less: value attributed to associated warrants		(602,069)
Less: tax value attributed to the renounced expenditures		(660,000)
Shares issued upon exercise of warrants	500,000	75,000
Plus: value previously attributed to the warrants		15,187
Shares issued upon exercise of agents' units	63,705	6,371
Plus: value previously attributed to the agents' units		4,668
Less: value attributed to underlying warrants		(3,024)
Shares issued upon exercise of underlying warrants	53,705	8,055
Plus: value previously attributed to the underlying warrants		2,216
Shares issued to settle obligations	333,334	25,000
Shares issued under property options	<u>135,000</u>	<u>24,150</u>
Common shares at August 31, 2010	48,494,637	9,573,114
Shares issued for private placements ⁽³⁾	21,666,667	4,000,000
Less: cash expenses associated with offering		(307,290)
Less: value attributed to associated warrants		(903,262)
Less: tax value attributed to the renounced expenditures		(929,760)
Shares issued upon exercise of agents' units	386,295	38,630
Plus: value previously attributed to the agents' units		28,307
Less: value attributed to underlying warrants		<u>(11,239)</u>
Balance forward	<u>70,547,599</u>	<u>11,488,500</u>

ROCKCLIFF RESOURCES INC.

Management's Discussion and Analysis

For the Period Ended May 31, 2011

(Prepared as at July 28, 2011)

CONVERTIBLE INSTRUMENTS AND OTHER SECURITIES - (continued)

Balance forward	70,547,599	<u>\$11,488,500</u>
Shares issued upon exercise of underlying warrants	394,670	59,200
Plus: value previously attributed to the underlying warrants		12,000
Shares issued upon exercise of warrants	500,000	75,000
Plus: value previously attributed to the warrants		15,187
Shares issued upon exercise of warrants	4,261,000	812,297
Plus: value previously attributed to the warrants		
Stock options exercised	300,000	45,000
Shares issued for mining property rights	<u>335,000</u>	<u>64,650</u>
Common shares at May 31, 2011	76,338,269	12,571,834
Shares issued upon exercise of warrants	16,000	3,200
Plus: value previously attributed to the warrants		2,366
Common shares as at the date of this document	<u>76,354,269</u>	<u>\$12,577,400</u>

(1) This also resulted in the issuance of 5,000,000 warrants and 450,000 compensation units.

(2) This also resulted in the issuance of 9,000,000 warrants and 1,031,500 compensation warrants.

(3) This also resulted in the issuance of 14,166,667 warrants, 298,668 compensation warrants and 1,093,700 FT compensation warrants.

In addition to the shares noted above the Company has issued units, warrants, employee and consultant stock options, and made commitments to issue shares under certain options on mineral resource properties. The following represents the number of common shares that have been reserved to satisfy the potential future exercise and issuance of these securities:

	<u>Number Of Common Shares</u>
Compensation warrants exercisable at \$0.20 per share until June 18, 2011	770,500
Warrants exercisable at \$0.40 per share until June 18, 2011	9,000,000
Stock options exercisable at \$0.15 until Aug. 12, 2011	100,000
Property option payment due no later than Sept. 17, 2011	20,000
Property option payment due no later than Oct. 29, 2011	200,000
Property option payment due no later than Dec. 29, 2011	90,000
Property option payment due no later than Mar. 3, 2012	25,000
Warrants exercisable at \$1.50 per share until Mar. 26, 2012	1,250,000
Stock options exercisable at \$0.47 until Mar. 27, 2012 ⁽¹⁾	800,000
Warrants exercisable at \$0.30 per share until June 1, 2012	3,750,000
Warrants exercisable at \$0.20 per share until June 1, 2012	580,500
Warrants exercisable at \$0.30 per share until June 14, 2012	1,305,000
Warrants exercisable at \$0.30 per share until June 15, 2012	6,105,418
Warrants exercisable at \$0.20 per share until June 15, 2012	295,200
Warrants exercisable at \$0.15 per share until June 15, 2012	66,667
Warrants exercisable at \$0.30 per share until June 20, 2012	3,006,249
Warrants exercisable at \$0.20 per share until June 20, 2012	218,000
Warrants exercisable at \$0.15 per share until June 20, 2012	232,001
Property option payment due no later than Oct. 29, 2012	200,000
Property option payment due no later than Dec. 29, 2012	90,000
Property option payment due no later than Mar. 3, 2013	25,000
Property option payment due no later than Oct. 29, 2013	200,000
Property option payment due no later than Dec. 29, 2013	90,000
Stock options exercisable at \$0.15 until June 17, 2014 ⁽¹⁾	<u>1,100,000</u>
Balance forward	<u>29,519,535</u>

ROCKCLIFF RESOURCES INC.

Management's Discussion and Analysis

For the Period Ended May 31, 2011

(Prepared as at July 28, 2011)

CONVERTIBLE INSTRUMENTS AND OTHER SECURITIES – (continued)

Balance forward	29,519,535
Stock options exercisable at \$0.20 until Sept. 16, 2014	50,000
Stock options exercisable at \$0.20 until Oct. 14, 2014 ⁽¹⁾	250,000
Property option payment due no later than Oct. 29, 2014	200,000
Stock options exercisable at \$0.28 until Mar. 10, 2015 ⁽¹⁾	200,000
Stock options exercisable at \$0.20 until Sept. 29, 2015 ⁽¹⁾	<u>1,500,000</u>
Common shares reserved as at May 31, 2011	31,719,535
Warrants exercised after May 31	(16,000)
Warrants expired after May 31	<u>(9,754,500)</u>
Common shares reserved as at the date of this document	<u>21,949,035</u>

⁽¹⁾ Each of these options is held by a Director or Officer of the Company.

	<u>Number Of Common Shares</u>
Common shares issued as at May 31, 2011	76,338,269
Common shares reserved as at May 31, 2011	<u>31,719,535</u>
Fully diluted number of common shares as at May 31, 2011	108,057,804
Common shares issued subsequent to May 31, 2011	16,000
Shares issued after May 31, 2011 that were previously reserved	(16,000)
Share reserves that expired after May 31, 2011	<u>(9,754,500)</u>
Fully diluted number of common shares as at the date of this document	<u>98,303,304</u>

The following provides additional information relative to the stock options and share purchase warrants:

<u>Description</u>	<u>Common Shares Under Option</u>	<u>Weighted Average Exercise Price</u>	<u>Weighted Average Expiry Date</u>
Outstanding August 31, 2010	3,100,000	\$0.28	Aug. 28, 2013
Options altered ⁽²⁾	(600,000)	\$0.31	May 7, 2013
Options altered ⁽²⁾	600,000	\$0.31	Mar. 14, 2011
Options exercised	(300,000)	\$0.15	Mar. 14, 2011
Options exercised	(300,000)	\$0.47	Mar. 14, 2011
Granted during period	<u>1,500,000</u>	\$0.20	Sept. 29, 2015
Outstanding May 31, 2011 and as at the date of this document	<u>4,000,000</u> ⁽¹⁾	\$0.24	June 14, 2014

⁽¹⁾ Each of these options has vested and is currently available to be exercised at the holders' discretion.

⁽²⁾ The expiry date of these options was reduced as a consequence of the holder having not been re-elected to the Company's Board of Directors at the September 14, 2010 shareholders' meeting

<u>Description</u>	<u>Number of Warrants</u>	<u>Weighted Average Exercise Price</u>	<u>Weighted Average Expiry Date</u>
Outstanding August 31, 2010	15,791,500	\$0.40	June 20, 2011
Exercised during the period	(5,155,670)	\$0.15	April 12, 2011
Issued during the period	15,945,330	\$0.28	Jan. 1, 2010
Expired during the period	<u>(1,625)</u>	\$0.15	April 9, 2011
Outstanding May 31, 2011	26,579,535	\$0.38	Jan. 28, 2012
Exercised after the period	(16,000)	\$0.20	June 18, 2011
Expired after the period	<u>(9,754,500)</u>	\$0.38	June 18, 2011
Balance as at the date of this document	<u>16,809,035</u>	\$0.38	June 6, 2012

ROCKCLIFF RESOURCES INC.

Management's Discussion and Analysis

For the Period Ended May 31, 2011

(Prepared as at July 28, 2011)

BASIS OF PRESENTATION

On May 11, 2011 Goldpath Resources Corp., a wholly-owned subsidiary, was incorporated. Accordingly, these unaudited interim consolidated financial statements at May 31, 2011 were prepared using the consolidation method and include the assets and liabilities of Goldpath along with all revenues and expenses arising subsequent to its date of incorporation.

CHANGES IN ACCOUNTING POLICY

Since the end of the previous fiscal year, there have been no changes to the accounting policies followed by the Company or the future accounting pronouncements by which it is affected. For additional details please see the Management Discussion and Analysis dated December 21, 2010 which accompanied the audited financial statements for the fiscal year ended August 31, 2010.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The Company is preparing for the adoption of IFRS and will implement the new standards on September 1, 2011. In preparation for this transition management has been investigating all of the ramifications of this transition and evaluating the alternatives, if any, that are available to the Company. The final determination as to the options to be chosen will be made just prior to implementation.

While conducting this review the Company has determined that the transition to IFRS will have little or no impact upon anything other than a limited number of accounting policies and certain financial statement disclosures. For example, there are no changes anticipated to arise with respect to personnel, information systems, disclosure controls and procedures, internal controls, or internal controls over financial reporting. Furthermore, the Company is not aware of any other business activities that may be impacted by the transition.

The two primary accounting policies that the Company continues to investigate with respect to the transition are whether to continue to defer exploration expenditures and the impact that IFRS may have on the computation of compensation related to the issuance of stock options and similar instruments. The final determination as to which policies the Company will adopt will be made prior to the implementation date and will take industry preferences into consideration.

FINANCIAL AND OTHER INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, restricted cash and cash equivalents, GST and HST receivable and accounts payable and accrued liabilities. Due to the short term maturities associated with each of these instruments their fair value approximates their carrying values. These financial instruments do not expose the Company to any interest rate risk or currency risk.

FORWARD LOOKING INFORMATION

This Management's Discussion & Analysis (MD&A) contains forward-looking statements that involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements of the Company, or the industry in which it operates, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this document, the words "may", "should", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" the negative thereof, other variations thereon, or comparable terminology are intended to identify forward-looking statements. Such forward-looking statements reflect the current expectations of the management of the Company with respect to future events based on currently available information and are subject to such risks and uncertainties. Many factors could cause our actual results to differ materially from the statements made, including those factors summarized below under the heading "Risk Factors" and discussed in filings made by us with the Canadian securities regulatory authorities.

ROCKCLIFF RESOURCES INC.

Management's Discussion and Analysis

For the Period Ended May 31, 2011

(Prepared as at July 28, 2011)

FORWARD LOOKING INFORMATION - (continued)

Should one or more of these risks and uncertainties, such as actual results of current exploration programs, the general risks associated with the mining industry, the price of gold and other metals, currency and interest rate fluctuations, increased competition and general economic and market factors, occur or should assumptions underlying the forward looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, or expected. The forward-looking statements contained in this MD&A speak only as of the date hereof. The Company does not undertake or assume any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as required by law. Stakeholders are cautioned not to put undue reliance on such forward-looking statements.

RISK FACTORS

Since the end of the previous fiscal year, there have been no changes to the risk factors to which the Company is exposed or the means by which they are managed. For additional details please see the Management Discussion and Analysis dated December 21, 2010 which accompanied the audited financial statements for the fiscal year ended August 31, 2010.

ADDITIONAL INFORMATION

Additional information about the Company can be found at www.sedar.com. Additional information is also provided in the Company's financial statements and Annual Information Form for the most recently completed financial years.

Further additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans is contained in the Company's information circular for the Company's most recent annual meeting of security holders that involved the election of directors.

Ken Lapierre P.Ge., President and CEO of Rockcliff Resources Inc. is a Qualified Person in accordance with Canadian regulatory requirements as set out in NI 43-101, and is responsible for the information in this Management Discussion and Analysis.