

GREAT BEAR RESOURCES LTD.
(Formerly Great Bear Uranium Corp.)

MANAGEMENT DISCUSSION AND ANALYSIS

For the Nine Months Ended September 30, 2011

Dated November 29, 2011

This Management Discussion & Analysis ("MD&A") of Great Bear Resources Ltd. ("Great Bear," or the "Company") is dated November 29, 2011 and provides an analysis of the Company's performance and financial condition for nine months ended September 30, 2011.

GREAT BEAR RESOURCES LTD.

Management Discussion & Analysis of Financial Position and Results of Operation
For the Nine Months Ended September 30, 2011

This management's discussion and analysis ("MD&A") for the nine months ended September 30, 2011 are prepared by management on November 29, 2011 for Great Bear Resources Ltd (formerly Great Bear Uranium Corp.) (the "Company") in accordance with International Financial Reporting Standards ("IFRS"). The MD&A should be read in conjunction with the Company's unaudited condensed interim financial statements and related notes for the nine months ended September 30, 2011 and 2010, which were prepared in accordance with IFRS and audited financial statements for the year ended December 31, 2010, which were prepared in accordance with Canadian generally accepted accounting principles ("GAAP").

All amounts are in Canadian dollars unless otherwise specified.

Additional information is available on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Forward-Looking Statements

This MD&A, which contains certain forward-looking statements, are intended to provide readers with a reasonable basis for assessing the financial performance of the Company. All statements, other than statements of historical fact, are forward-looking statements. The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to, fluctuations in the currency markets such as Canadian dollar and U.S. dollar, fluctuations in the prices of REE and other commodities, changes in government legislation, taxation, controls, regulations and political or economic developments in Canada, the United States or other countries in which the Company carries or may carry on business in the future, risks associated with mining or development activities, the speculative nature of exploration and development, including the risk of obtaining necessary licenses and permits, and quantities or grades of reserves. Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. Readers are cautioned that forward-looking statements are not guarantees of future performance. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those acknowledged in such statements. Specific reference is made to the "Risk and Uncertainties" section of these MD&A for a discussion of some of the factors underlying forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.

OVERVIEW

PRINCIPAL BUSINESS AND CORPORATE HISTORY

Great Bear Resources Ltd. is a publicly traded mineral exploration company listed on the TSX Venture Exchange ("TSX-V") under the symbol "GBR". The Company was incorporated under the Company Act (British Columbia) on December 6, 2001. On January 22, 2010, the Company changed its name from Great Bear Uranium Corp. to Great Bear Resources Ltd. Since August 2006, the Company's main business focus has been to acquire and explore mineral properties. To date, Great Bear has not earned any revenues from its mineral property interests and is considered to be in the exploration stage.

RESOURCE PROPERTIES

For details of the resource properties' agreements refer to the Company's unaudited condensed interim financial statements and related notes for the nine months ended September 30, 2011.

GREAT BEAR RESOURCES LTD.

Management Discussion & Analysis of Financial Position and Results of Operation
For the Nine Months Ended September 30, 2011

a) The BA Project, British Columbia

The BA Project is located 30 km east of Stewart, British Columbia, straddling paved highway 37A on the north flank of Cambria Peak, within the same stratigraphic horizon which hosts the Eskay Creek mine. The host rocks are part of the upper Hazelton Group of the Stikine terrain, which comprises a series of Middle Jurassic bimodal volcanics deposited in a back-arc basin. The zinc-lead-silver mineralization is part of an exhalative volcanogenic massive sulfide (VMS), base and precious metal mineralization system. The property geology is folded into a predictable synclinal-anticlinal fold pattern that facilitates modeling and exploration. The felsic volcanic stratigraphic horizon which hosts the VMS mineralization has been mapped over a strike length of approximately 12 km at the BA Property.

Historic Drilling –Mountain Boy Minerals Ltd.

Between 2006 and 2008, Mountain Boy Minerals Ltd. (“Mountain Boy”) conducted an extensive 89 drill hole program at the BA Project, defining what is known as the “Main” zone. Highlights of this program, taken from Mountain Boy news releases dated May 22, 2008, and September 29, 2009, include drill hole DDH-2007-BA-21 which intersected 3.05 metres returning 241.1 g/t silver, 0.11% lead and 1.24% zinc, and drill hole DDH-2008-BA-28, which intersected two separate high grade silver-lead-zinc intervals returning 13.1 metres of 136.5 g/t silver, 1.37% lead and 4.11% zinc, and 19.82 metres returning 146.81 g/t silver, 1.16% lead and 2.56% zinc.

Mountain Boy defined a largely continuous zone of semi-massive silver-lead-zinc rich mineralization of unknown true thickness with a 600 metre strike length.

2010 Drilling and Exploration – Great Bear Resources

The Company conducted an extensive, 86 hole helicopter-based drill campaign in the summer of 2010, designed to test the true thickness of mineralization in the Main zone, and to extend its boundaries in all directions. Property wide prospecting work was also undertaken, leading to a number of new discoveries to the north, east and west of the Main zone.

Drilling 300 metres north of the Main zone in what is now referred to as the “North Extension”, the Company discovered a silver-lead-zinc mineralized stockwork within previously untested subvolcanic andesite intrusion. Highlights include drill hole BA-2010-136, which returned 136 g/t silver, 0.63% lead and 0.53% zinc over 3.05 metres, 82 g/t silver, 1.06% lead and 1.20% zinc over 12.19 metres, and 62 g/t silver, 0.54% lead and 1.72% zinc over 3.05 metres within a 250+ metre wide VMS mineralized system.

Drilling in the North Extension ultimately defined a contiguous zone of intensely developed stockwork massive sulfide mineralization (the “Stockwork” zone). This new zone is open to the south in the direction of the Main zone, and open to the north in the direction of the Bod zone, with dimensions of approximately 350 by 300 metres.

Prospecting at the George Copper claims on the BA property was also highly successful, resulting in the discovery of multiple gold bearing structures associated with a higher temperature phase of the VMS system that is developed at BA. A chip sample graded 9.09 g/t gold over one metre, with a grab sample from this zone returning a value of 38.50 g/t gold. This discovery will be treated as a separate priority drill target in 2011.

Prospecting on the eastern BA claims identified what is now referred to as the “East” zone. Two grab samples of highly gossanous talus from a well exposed slope returned 51.6 g/t silver, 5 % lead and 2.4 % zinc, and 45.0 g/t silver, 5 % lead and 1.22% zinc respectively. Preliminary mapping suggests the mineralization may be spatially associated with an intrusive body as is observed in the Main zone and North Extension at BA.

A limited six hole reconnaissance drill program was completed at the “Bod” zone, a target located 900 metres to the north of the Stockwork zone within the North Extension. Silver-rich semi-massive sulfide mineralization was intersected over limited widths, with the best results coming from drill hole BA-2010-143 which returned 3.05 metres of 44 g/t silver, 0.51% lead and 1.44% zinc within a wider 21.33 metre interval returning 12.0 g/t silver, 0.14% lead and 0.56% zinc. Results at the Bod zone demonstrated that the silver rich VMS system at BA

GREAT BEAR RESOURCES LTD.

Management Discussion & Analysis of Financial Position and Results of Operation
For the Nine Months Ended September 30, 2011

extends over greater than 2 kilometres from the Main zone to the Bod. Continuity of mineralization between all zones remains to be tested.

Main Zone Drill Results – System Length Extended and Thickness Enhanced

The on strike extensions of the Main zone were targeted during the second half of the 2010 exploration season. Several higher grade intercepts were discovered within a larger broadly mineralized massive sulfide system, defining four open mineralized trends. Results included discovery of the thickest, highest grade part of the Main zone mineralization system, with drill hole BA-2010-147 returning 21.97 metres of 83.0 g/t silver, 0.90% lead and 0.60% zinc, which interval included 3.68 metres of 172.0 g/t silver, 3.03% lead and 3.56% zinc.

Drilling across the mineralized horizons, the Company determined that the semi-massive sulfide system in the Main zone generally occurs in two to three horizons that are 3 to 12 metres thick, which are located within a broad, generally 30 to 100 metre thick zone of total silver-lead-zinc mineralization.

Drilling extended the known strike length of mineralization at the Main zone from approximately 600 to over 800 metres, and increased the down dip width of the system by 100 to 200 metres, to roughly 300 to 400 metres depending on location.

b) Surprise Creek – Acquisition Extends Stikine Land Package

Following on the positive results of the 2006 to 2008 drilling at its nearby 8,000 hectare BA Project, the Company expanded its holdings in the Stewart area. The Surprise Creek property contains the same geological units that host high-grade silver-lead-zinc mineralization at the BA Project and is located less than 6.5 kilometres to the north of the BA claims. The Eskay Creek mine, a Stewart district past producer of +3.2M ounces of gold and +60.6M ounces of silver, is also located within the same upper Hazelton Group rocks of the Stikine terrane.

c) Birch Property, British Columbia

Effective May 31, 2010, the Company completed a Statutory Plan of Arrangement (the “Arrangement”) pursuant to the provisions of section 288 of the British Columbia Business Corporations Act.

The arrangement involved the transfer of \$50,000 of the Company’s cash and its option on the Birch Property to Mountain Gold Resources Ltd. (“Mountain Gold”), which was formerly a wholly owned subsidiary; it also involved the distribution of Mountain Gold shares to the shareholders of the Company pro-rata accordingly to their holdings of shares of the Company.

As a result, the Company recorded a dividend on plan of arrangement during the period equal to the Company’s cost in the Birch Property and \$50,000 cash.

d) IKE Property, Yukon

The IKE Gold Project is located in the Selwyn Basin of the Yukon, an emerging highly prospective gold district characterized by recent major Carlin-type sediment hosted gold discoveries made by ATAC Resources Ltd. (TSX-V: ATC) at the Rau Gold project. Analytical work by Argus in 2010 defined an 80 square kilometer area with discrete areas of coincident anomalous arsenic and gold in regional stream sediment samples. The project area is underlain by carbonate lithologies and an intrusive suite. The phase I exploration program will commence in June and will consist of detailed stream and soil sampling, mapping and trenching to quantify drill targets.

The IKE project has the potential to host a sediment-hosted gold system similar to Nevada style gold deposits in the Carlin District. In addition to positive reconnaissance geochemical survey results and favourable rock types, the IKE property also hosts spatially related lead-zinc showings

e) Etzel Property, Yukon

The Etzel Property comprises 50 mining claims, strategically located in the prolific Tintina Gold belt. The claims are contiguous with, and directly along strike from, Rockhaven Resources Ltd.’s (TSX-V: RK, “Rockhaven”)

GREAT BEAR RESOURCES LTD.

Management Discussion & Analysis of Financial Position and Results of Operation
For the Nine Months Ended September 30, 2011

Klaza Property. According to the Rockhaven news release dated July 11, 2011, strong gold-in-soil anomalies which have been successfully drill tested are open along strike towards the Etzel property. The Etzel claims are also contiguous with Ansell's Charlotte Property. The Klaza, Etzel and Charlotte properties are located within a 15 kilometre long, generally 2.5 kilometre wide, northwest to southeast trending gold mineralized trend that includes the past producing Mount Nansen mine.

On the adjacent Charlotte property, gold mineralization is found in northwest trending quartz-sulphide veins, steeply plunging quartz-sulphide rich breccia bodies and east-west trending quartz-vein stockwork zones with locally intensive clay alteration. These zones are spatially related to the central Mount Nansen porphyry complex, and associated Late Cretaceous stocks and dykes. A similar geological setting is interpreted for the Etzel claims.

On September 19, 2011 the Company announced that it has begun Phase 1 drilling at the Etzel Gold project. Phase 1 exploration will consist of approximately 2,000 metres of diamond drilling, testing the on-strike continuity of gold-silver mineralization from the Klaza property of Rockhaven Resources Ltd. and the Charlotte property of Ansell Capital Corp. These properties are contiguous with the Etzel property to the northwest and southeast and are all located within a 15 kilometre long, generally 2.5 kilometre wide gold mineralized trend that includes the past producing Mount Nansen mine. Both the Klaza and Charlotte properties were the focus of multi-drill programs during 2010 and 2011 and have released results including 36.50 metres of 3.23 g/t gold and 117.7 g/t silver (Rockhaven news release dated July 11, 2011) and 23.05 metres of 11.04 g/t gold (Ansell news release dated September 6, 2011).

The Etzel property hosts gold and silver-rich polymetallic soil geochemical anomalies similar to those present on the adjacent Klaza and Charlotte properties, with historic trenching that has produced results including 6.0 metres of 6.05 g/t gold and 15.3 g/t silver. In addition to diamond drilling, Phase 1 exploration will include surface trenching and geochemical sampling to define drill targets.

PLAN OF ARRANGEMENT

Effective May 31, 2010, the Company completed a Statutory Plan of Arrangement pursuant to the provisions of section 288 of the British Columbia Business Corporations Act. The Plan of Arrangement involved the transfer from Great Bear Resources Ltd of \$50,000 cash and its option on the Birch Property. The Company was formerly a wholly owned subsidiary of Great Bear Resources Ltd. The Plan of Arrangement also involved the distribution of shares of the Company to the shareholders of the Great Bear Resources Ltd pro-rata accordingly to their holdings of shares of the Great Bear Resources Ltd.

The results of the proposed Arrangements are summarized as follows:

- i) Each shareholder of the Great Bear Resources Ltd received one-third of a common share of Mountain Gold (to the nearest whole share) for each common share of the Great Bear Resources Ltd owned by such shareholder on the Arrangement Effective Date;
- ii) Each shareholder of the Great Bear Resources Ltd will continue to own one common share of the Great Bear Resources Ltd for each common share of the Great Bear Resources Ltd owned by such shareholder on the Arrangement Effective Date;
- iii) Great Bear Resources Ltd will retain all of its cash and uranium assets except for \$50,000 to be transferred to Mountain Gold as initial working capital, and will continue to carry on the business of exploration and development of silver, lead and zinc prospects;
- iv) Mountain Gold will acquire the Company's interest in the "Birch" gold prospect.

GREAT BEAR RESOURCES LTD.

Management Discussion & Analysis of Financial Position and Results of Operation

For the Nine Months Ended September 30, 2011

SELECTED FINANCIAL INFORMATION

For the years ended December 31, 2010, 2009 and 2008 (under IFRS unless otherwise noted) (\$)

| | 2010 | 2009 Under Canadian GAAP | 2008 Under Canadian GAAP |
|-----------------------------------|-------------|---------------------------------------|---------------------------------------|
| Total assets | 9,964,858 | 926,219 | 2,290,644 |
| Total Liabilities | 360,473 | 380,513 | 339,174 |
| Write down of resource properties | - | 1,841,244 | 722,102 |
| Other income | 16,731 | 8,394 | 17,646 |
| Net loss for the year | (2,188,817) | (1,961,068) | (1,163,998) |
| Loss per share | (0.04) | (0.07) | (0.04) |
| Dividend on Plan of Arrangement | (150,469) | - | - |

By recent eight Quarters (under IFRS unless otherwise noted) (\$)

| | September 30, 2011 | June 30, 2011 | March 31, 2011 | December 31, 2010 |
|-----------------------------------|-------------------------------|--------------------------|---------------------------|------------------------------|
| Other income | 8,902 | 12,043 | 10,796 | 5,905 |
| Major expense items | | | | |
| Consulting fees | 44,500 | 44,500 | 50,051 | 21,000 |
| Management fees | 18,062 | 20,407 | 10,200 | 37,000 |
| Professional fees | 19,452 | 8,437 | 6,463 | 108,285 |
| Stock based compensation | 236,759 | - | - | 269,283 |
| Transfer agent and filing fees | 10,310 | 21,100 | 8,079 | 38,382 |
| Write-down of resource properties | - | - | - | - |
| Future Income Tax (provision) | (3,865) | (1,400) | 161 | 3,865 |
| Net (loss) income | (363,820) | (120,120) | (107,774) | (529,287) |
| (Loss) Income per share | (0.01) | (0.002) | (0.002) | (0.01) |

| | September 30, 2010 | June 30, 2010 | March 31, 2010 | December 31, 2009 Under Canadian GAAP |
|-----------------------------------|-------------------------------|--------------------------|---------------------------|--|
| Other income | 6,016 | 2,415 | 2,395 | 1,486 |
| Major expense items | | | | |
| Consulting fees | 61,500 | 54,100 | 40,692 | 3,000 |
| Management fees | 43,500 | 43,500 | 11,000 | 0 |
| Professional fees | 103,107 | 24,016 | 2,376 | 55,224 |
| Stock based compensation | 106,308 | 920,325 | 596,266 | 114,283 |
| Transfer agent and filing fees | 16,946 | 8,941 | 5,289 | 18,988 |
| Write-down of resource properties | - | - | - | 1,841,244 |
| Future Income Tax (provision) | 295,484 | 154,516 | - | (1,632) |
| Net (loss) income | (56,410) | (931,909) | (671,211) | (1,922,693) |
| (Loss) Income per share | (0.0001) | (0.02) | (0.02) | (0.07) |

GREAT BEAR RESOURCES LTD.

Management Discussion & Analysis of Financial Position and Results of Operation

For the Nine Months Ended September 30, 2011

RESULTS OF OPERATIONS

Nine months ended September 30, 2011 and 2010

For the nine months ended September 30, 2011, operating expenses totaled \$618,351 and net loss was \$591,714. The Company had \$2,120,356 in operating expenses and a net loss of \$1,659,530 for the nine months ended September 30, 2010. The major difference between the period 2011 and 2010 relates to the stock based compensation of \$1,622,899 recorded in 2010 compared to \$236,759 recorded in 2011. 3,795,000 stock options were granted during the nine months ended September 30, 2010 compared to 1,225,000 granted during the current period.

Future income tax recovery of \$450,000 recorded during the nine months ended September 30, 2010 relates to flow through expenditures incurred during the nine months ended September 30, 2010. \$5,104 of future income tax expense recorded during the current period relates to a tax effect on the decrease in fair value of investment in equity instruments.

Professional fees decreased by \$95,147 from \$129,499 incurred during the nine months ended September 30, 2010 to \$34,352 during the same period of the current year as a result of audit fees recorded during the nine months ended September 30, 2010.

Management fees decreased by \$51,831 from \$100,500 incurred during the nine months ended September 30, 2010 compared to the same period of the current year due to a fewer number of managers involved.

Consulting fees incurred during the nine months ended September 30, 2011 decreased by \$14,741 compared to the same period of the previous year as a result of a fewer number of consultants hired.

\$18,528 was incurred in rent expenditures during the nine months ended September 30, 2011. The Company did not rent an office in 2010. Travel, promotion and shareholder information expenditures reduced by \$13,308 from \$30,059 incurred during the nine months ended September 30, 2010 to \$16,751 incurred during the same period of current year due to decrease in a number of business trips undertaken by the management.

Office and administration expense increased by \$25,963 from \$43,419 incurred during the nine months ended September 30, 2010 to \$69,382 incurred during the same period of the current year. The change is reflective of increased activities of the Company during the current period.

Transfer agent fees increased by \$8,313 from \$31,176 incurred during the nine months ended September 30, 2010 due to the Company becoming listed on OTCQX during the current period.

Properties' investigation costs increased by \$4,732 from \$4,989 incurred during the nine months ended September 30, 2010. The increase is mainly due to expensing in the current period previously accrued costs.

Interest income increased from \$10,826 during the nine months ended September 30, 2010 to \$31,741 compared to same period of the current year.

Three months ended September 30, 2011 and 2010

For the three months ended September 30, 2011, operating expenses totaled \$368,857 and net loss was \$363,820. The Company had \$357,910 in operating expenses and a net loss of \$56,410 for the quarter ended September 30, 2010. The major difference between the 2011 and 2010 periods relates to the stock based compensation of \$236,759 recorded in 2011 compared to \$106,308 recorded in 2010. 325,000 stock options were granted during the three months ended September 30, 2010 compared to 1,225,000 granted during the current period.

GREAT BEAR RESOURCES LTD.

Management Discussion & Analysis of Financial Position and Results of Operation
For the Nine Months Ended September 30, 2011

Future income tax recovery of \$295,484 recorded during the three months ended September 30, 2010 relates to flow through funds expensed during the period. \$3,865 of future income tax expense recorded during the current period relates to a tax effect on the decrease in fair value of investment in equity instruments.

Professional fees decreased by \$83,655 from \$103,107 incurred during the quarter ended September 30, 2010 to \$19,452 during the same period of the current year as a result of less legal counsel involvement.

Management fees decreased by \$27,938 from \$46,000 incurred during the three months ended September 30, 2010 compared to the same period of the current year due to a fewer number of managers involved.

Consulting fees incurred during the three months ended September 30, 2011 decreased by \$14,500 compared to the same period of the previous year as a result of a fewer number of consultants hired.

\$6,528 in rent expenditures was recorded during the three months ended September 30, 2011. The Company did not rent an office in 2010. Office and administration expenditures increased from \$19,635 incurred during the three months ended September 30, 2010 to \$24,850 compared to the same period of the current year. These changes are reflective of increased activities of the Company during the current period.

Transfer agent fees decreased by \$6,636 from \$16,946 incurred during the three months ended September 30, 2010 due to lesser filing requirements during the quarter ended September 30, 2011.

Travel, promotion and shareholder information increased by \$4,452 from \$1,869 incurred during the three months ended September 30, 2010 to \$6,321 incurred during the same period of the current year as a result of increased travel and promotional activities.

Interest income increased from \$6,016 during the three months ended September 30, 2010 to \$8,902 compared to same period of the current year.

LIQUIDITY AND CAPITAL RESOURCES

The Company's working capital was \$2,123,468 as at September 30, 2011 (December 31, 2010 - \$3,859,635).

The Company's approach to managing liquidity risk is to ensure that it will have sufficient funds to meet liabilities when due. At September 30, 2011, the Company had current assets of \$2,744,537 (December 31, 2010 - \$4,220,108) to settle current liabilities of \$621,069 (December 31, 2010 - \$360,473). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

RISKS AND UNCERTAINTIES

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations of metal prices, the proximity and capacity of milling facilities, mineral markets, processing reagents and equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environment protection, the combination of which factors may result in the Company not receiving an adequate return on investment capital.

Exploration and Development Efforts May Not Be Successful

There is no certainty that the expenditures to be made by the Company in the exploration of its properties as described herein will result in the discovery of mineralized material in commercial quantities. Most exploration projects do not result in the discovery of commercially mineable ore deposits and no assurance can be given that any particular level of recovery of ore reserves will in fact be realized or that any identified mineral deposit will ever

GREAT BEAR RESOURCES LTD.

Management Discussion & Analysis of Financial Position and Results of Operation
For the Nine Months Ended September 30, 2011

qualify as a commercially mineable (or viable) ore body which can be legally and economically exploited. Estimates of reserves, mineral deposits and production costs can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grade of ore ultimately mined may differ from that indicated by drilling results. Short term factors relating to ore reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on the results of operations. There can be no assurance that minerals recovered in small scale tests will be duplicated in large scale tests under on-site conditions or in production scale. Material changes in ore reserves, grades, stripping ratios or recovery rates may affect the economic viability of any project.

Lack of Cash Flow

None of the Company's properties have advanced to the commercial production stage and the Company has no history of earnings or cash flow from operations. The Company does not expect to generate material revenue from mining operations or to achieve self-sustaining commercial mining operations for several years. The Company has paid no dividends on its shares since inception and does not anticipate doing so in the foreseeable future. Historically, the only source of funds available to the Company is through the sale of its securities. Future additional equity financing would cause dilution to current shareholders.

No Proven Reserves

The properties in which the Company has an interest or the right to earn an interest are in the exploratory stage only and are without a known body of ore in commercial production.

No Guarantee of Clear Title to Mineral Properties

While the Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties and properties in which it has the right to acquire or earn an interest are in good standing, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects.

Uncertainty of Obtaining Additional Funding Requirements

Programs planned by the Company may necessitate additional funding, which could cause a dilution of the value of the investment of the shareholders of the Company. The recuperation value of mining properties indicated in the balance sheet depends on the discovery of mineralization that can be profitably exploited and on the Company's capacity to obtain additional funds in order to realize these programs. The Company's exploration activities can therefore be interrupted at any moment if the Company is incapable of obtaining the necessary funds in order to continue any additional activities that are necessary and that are not described in the exploration programs outlined in the Company's geological report for its properties.

Mineral Prices May Not Support Corporate Profit

The mining industry in general is intensely competitive and there is no assurance that, even if commercial quantities of mineral resources are developed, a profitable market will exist for the sale of same. Factors beyond the control of the Company may affect the marketability of any substances discovered. The price of minerals is volatile over short periods of time, and is affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining techniques.

Competition

The mining industry is intensely competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral interests as well as for the recruitment and retention of qualified employees.

GREAT BEAR RESOURCES LTD.

Management Discussion & Analysis of Financial Position and Results of Operation
For the Nine Months Ended September 30, 2011

Environmental Regulations

The current and future operations of the Company, including further exploration, development activities and commencement of production on its properties, require permits from various Provincial, Federal and State governmental authorities. Such operations are subject to various laws governing land use, the protection of the environment, production, exports, taxes, labor standards, occupational health, waste disposal, toxic substances mine safety and other matters. There can be no assurance, however, that all permits which the Company may require for construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violation of applicable laws or regulations.

Environmental Impact

The Company does not believe that there are any significant environmental obligations requiring material capital outlays in the immediate future and anticipates that such obligations will only arise when full scale development commences. As the Company's project is still in the exploration and development stage and no significant environmental impact has occurred to date, the Company does not currently consider that expenditures required meeting any ongoing environmental obligations at the projects material to its results or to financial condition to the Company at this time. However, these costs may become material in the future and will be reported in the Company's filings at that time.

Uncertainty of Reserves and Mineralization Estimates

There are numerous uncertainties inherent in estimating proven and probable reserves and mineralization, including many factors beyond the control of the Company. The estimation of reserves and mineralization is a subjective process and the accuracy of any such estimates is a function of the quality of available data and of engineering and geological interpretation and judgment. Results of drilling, metallurgical testing and production and the evaluation of mine plans subsequent to the date of any estimate may justify revision of such estimates. No assurances can be given that the volume and grade of reserves recovered and rates of production will not be less than anticipated. Assumptions about prices are subject to greater uncertainty and metal prices have fluctuated widely in the past. Declines in the market price of base or precious metals also may render reserves or mineralization containing relatively lower grades of ore uneconomic to exploit. Changes in operating and capital costs and other factors including, but not limited to, short-term operating factors such as the need for sequential development of ore bodies and the processing of new or different ore grades, may materially and adversely affect reserves.

Operating Hazards and Risks Associated with the Mining Industry

Mining operations generally involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Hazards such as unusual or unexpected formations and other conditions are involved. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of precious and base metals, any of which could result in work stoppages, damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage. The Company may

GREAT BEAR RESOURCES LTD.

Management Discussion & Analysis of Financial Position and Results of Operation

For the Nine Months Ended September 30, 2011

become subject to liability for cave-ins and other hazards for which it cannot insure or against which it may elect not to insure where premium costs are disproportionate to the Company's perception of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration activities.

The Ability to Manage Growth

Should the Company be successful in its efforts to develop its mineral properties or to raise capital for other mining ventures it will experience significant growth in operations. If this occurs management anticipated that additional expansion will be required in order to continue development. Any expansion of the Company's business would place further demands on its management, operational capacity and financial resources. The failure to manage growth effectively could have a material adverse effect on the Company's business, financial condition and results of operations.

Lack of Dividend Policy

The Company does not presently intend to pay cash dividends in the foreseeable future, as any earnings are expected to be retained for use in developing and expanding its business. However, the actual amount of dividends received from the Company will remain subject to the discretion of the Company's Board of Directors and will depend on results of operations, cash requirements and future prospects of the Company and other factors.

Possible Dilution to Present and Prospective Shareholders

The Company's plan of operation, in part, contemplates the accomplishment of business negotiations by the issuance of cash, securities of the Company, or a combination of the two, and possibly, incurring debt. Any transaction involving the issuance of previously authorized but unissued common shares, or securities convertible into common shares, would result in dilution, possibly substantial, to present and prospective holders of common shares.

Dependence of Key Personnel

The Company strongly depends on the business and technical expertise of its management and key personnel. There is little possibility that this dependence will decrease in the near term. As the Company's operations expand, additional general management resources will be required, especially since the Company encounters risks that are inherent in doing business in several countries.

Conflict of Interest

Certain directors and officers of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board of Directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Lack of Trading

The lack of trading volume of the Company's shares reduces the liquidity of an investment in the Company's shares.

Volatility of Share Price

Market prices for shares of early stage companies are often volatile. Factors such as announcements of mineral discoveries, financial results, and other factors could have a significant effect on the price of the Company's shares.

GREAT BEAR RESOURCES LTD.

Management Discussion & Analysis of Financial Position and Results of Operation

For the Nine Months Ended September 30, 2011

OUTSTANDING SHARE DATA

Issued and outstanding common shares:

| | Number | Amount |
|---|-------------------|----------------------|
| Balance as at December 31, 2009 | 40,549,652 | \$ 4,180,627 |
| Shares issued for resource properties | 200,000 | 80,000 |
| Shares issued for finders' fees related to resource property | 275,000 | 82,500 |
| Subscription received | - | 599,000 |
| Stock options exercised | 1,470,000 | 361,000 |
| Warrants issued for finders' fees | - | (350,147) |
| Flow through shares issued for cash | 3,000,000 | 1,650,000 |
| Common Shares issued for cash, net of share issue costs | 13,000,000 | 6,707,440 |
| Balance as at December 31, 2010 | 58,494,652 | \$ 13,310,420 |
| Shares issued for resource properties | 850,000 | 191,500 |
| Shares issued for finders' fees related to resource property | 150,000 | 28,500 |
| Balance as at September 30, 2011 and November 29, 2011 | 59,494,652 | \$ 13,530,420 |

STOCK OPTIONS

The Company has adopted an incentive stock option plan (the "Option Plan") dated September 30, 2010 which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with TSX-V requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Included in the Option Plan are provisions that provide that the number of common shares reserved for issuance will not exceed 10% of the then issued and outstanding common shares of the Company. At the discretion of the Board of Directors of the Company, options granted under the Option Plan can have a maximum exercise term of 10 years from the date of grant. Vesting terms are determined at the time of grant by the Board of Directors.

The following is the summary of the Company's stock option activity:

| | Number of Options | Exercise Price Per Share Range | Weighted Av. Exercise Price per Share |
|--|-------------------|--------------------------------|---------------------------------------|
| Balance as at December 31, 2008 | 2,790,000 | \$0.20 - \$0.25 | \$ 0.24 |
| Cancelled | (400,000) | \$ 0.20 | \$ 0.20 |
| Balance as at December 31, 2009 | 2,390,000 | \$0.20 - \$0.25 | \$ 0.24 |
| Granted | 4,720,000 | \$0.36 - \$0.63 | \$ 0.48 |
| Cancelled | (640,000) | \$0.25 - \$0.55 | \$ 0.38 |
| Exercised | (1,470,000) | \$0.20 - \$0.42 | \$ 0.25 |
| Balance as at December 31, 2010 | 5,000,000 | \$0.25 - \$0.63 | \$ 0.45 |
| Granted | 1,225,000 | \$ 0.30 | \$ 0.30 |
| Cancelled | (950,000) | \$0.47 - \$0.55 | \$ 0.53 |
| Balance as at September 30, 2011 | 5,275,000 | \$0.25 - \$0.63 | \$ 0.40 |
| Cancelled | 600,000 | \$ 0.25 | \$ 0.25 |
| Balance as at November 29, 2011 | 4,675,000 | \$0.25 - \$0.63 | \$ 0.42 |

GREAT BEAR RESOURCES LTD.

Management Discussion & Analysis of Financial Position and Results of Operation

For the Nine Months Ended September 30, 2011

As at November 29, 2011 the following stock options are outstanding and exercisable:

| Number of options outstanding | Number of options exercisable | Exercise price | Expiry date |
|----------------------------------|----------------------------------|----------------|------------------|
| 130,000 | 130,000 | \$ 0.25 | June 21, 2012 |
| 575,000 | 575,000 | \$ 0.36 | January 22, 2015 |
| 150,000 | 150,000 | \$ 0.42 | January 22, 2015 |
| 70,000 | 70,000 | \$ 0.42 | January 25, 2015 |
| 150,000 | 150,000 | \$ 0.63 | March 16, 2015 |
| 200,000 | 200,000 | \$ 0.55 | April 23, 2012 |
| 325,000 | 325,000 | \$ 0.55 | April 23, 2015 |
| 350,000 | 350,000 | \$ 0.59 | May 4, 2012 |
| 250,000 | 250,000 | \$ 0.59 | May 4, 2015 |
| 325,000 | 325,000 | \$ 0.46 | July 22, 2015 |
| 925,000 | 925,000 | \$ 0.40 | December 6, 2015 |
| 1,225,000 | 1,200,000 | \$ 0.30 | July 13, 2016 |
| 4,675,000 | 4,650,000 | | |

COMMITMENTS

a) Plan of Arrangement - Madalena Ventures Inc.

On November 15, 2004, Madalena declared a dividend in specie of 2,970,640 common shares without par value in the capital of Planet Exploration Inc. ("Planet"). Each Madalena shareholder as of November 15, 2004 became entitled to receive 0.675 Planet shares for each common share held subject to the fulfillment by that shareholder of certain conditions. A Madalena shareholder does not become unconditionally entitled to receive the portion of the dividend of Planet shares until such shareholder has fulfilled the conditions precedent applicable to that shareholder. Conditions precedent includes the fulfillment of certain conditions such as the jurisdiction of residence of such shareholders.

On November 15, 2004, Madalena set aside Planet shares to permit its obligations to each shareholder in respect of the dividend as and when applicable to the conditions precedent satisfied by such shareholder.

The commitment was transferred to the Company as part of the Plan of Arrangement with Madalena. As at December 31, 2010, the Company held 962,861 Planet shares.

b) Plan of Arrangement - Mountain Gold Resources Ltd.

By Arrangement Agreement dated May 15, 2008 the Company proposed a statutory arrangement (the "Arrangement") to its shareholders.

The results of the proposed Arrangement are summarized as follows:

- i) each shareholder of the Company will receive one-third of a common share of Mountain Gold (to the nearest whole share) for each common share of the Company owned by such shareholder on the Arrangement Effective Date;
- ii) each shareholder of the Company will continue to own one common share of the Company for each common share of the Company owned by such shareholder on the Arrangement Effective Date;
- iii) the Company will retain all of its cash, except for \$50,000 to be transferred to Mountain Gold as initial working capital, and will continue to carry on the business of exploration and development of silver, lead and zinc prospects;

GREAT BEAR RESOURCES LTD.

Management Discussion & Analysis of Financial Position and Results of Operation
For the Nine Months Ended September 30, 2011

- iv) Mountain Gold will acquire the Company's interest in the "Birch" gold prospect.

Mountain Gold is a "private issuer", as that term is defined in the Securities Act (B.C.). As a result of its participation in the Arrangement, Mountain Gold will become a "reporting issuer", as that term is defined in the Securities Act (B.C.), but will not be listed on any stock exchange. It is management's intention that Mountain Gold will apply to have its common shares quoted on the TSX Venture Exchange ("TSX.V"), subject to acceptance by TSX.V. There is currently no market through which securities of Mountain Gold can be sold, either before or after the Arrangement Effective Date, and there can be no assurance that any such market will ever develop. There can be no assurance that Mountain Gold will ever become listed on any stock exchange or become eligible for trading through the TSX.V or CNSX or "over-the-counter" on any automated quotation service.

During the year ended December 31, 2008, the Plan of Arrangement was approved by special resolution of the shareholders and by the Supreme Court of British Columbia at a fairness hearing.

The Arrangement became effective May 31, 2010 and the above transactions were completed.

RELATED PARTY TRANSACTIONS

During the nine months ended September 30, 2011, \$35,700 (2010 - \$100,500) were incurred in management fees to companies controlled by directors and officers of the Company.

During the nine months ended September 30, 2011, the Company incurred \$62,816 (2010 - \$Nil) in office and general, \$32,308 (2010 - \$Nil) in consulting, \$694 (2010 - \$Nil) in professional fees, \$7,916 (2010 - \$Nil) in travel, shareholder information and promotion, \$4,938 (2010 - \$Nil) in asset usage and \$44,503 (2010 - \$Nil) were capitalized to mineral properties exploration costs to a company with a director in common. Accounts payable include \$2,625 (December 31, 2010 - \$Nil, January 1, 2010 - \$Nil) due to this company.

During the nine months ended September 30, 2011, \$6,000 (2010 - \$57,807) were capitalized to mineral properties exploration costs to a company with a directors in common.

These transactions are in the normal course of operations and are measured at the exchange amount of consideration established and agreed to by the related parties.

Receivables include \$8,248 (December 31, 2010 - \$8,248) due from a director and officer of the Company.

Accounts payable include \$3,920 (December 31, 2010 - \$2,913, January 1, 2010 - \$Nil) due to a company controlled by a director and officer of the company.

OFF- BALANCE SHEET TRANSACTIONS

The Company has not entered into any off-balance sheet arrangements.

CHANGES IN ACCOUNTING POLICIES

Adoption of International Financial Reporting Standards ("IFRS")

The Company's condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 - "Interim Financial Reporting". The condensed consolidated interim financial statements do not include all of the information required for full annual financial statements.

An explanation of how the transition to IFRS has affected the reported financial position, financial performance and cash flows of the Company is provided in note 15 of the condensed consolidated interim financial statements. This note includes reconciliations of equity and total comprehensive income for comparative periods and of equity at the date of transition reported under Canadian GAAP to those reported for those periods and at the date of transition

GREAT BEAR RESOURCES LTD.

Management Discussion & Analysis of Financial Position and Results of Operation

For the Nine Months Ended September 30, 2011

under IFRS, along with details of the IFRS 1 exemptions taken. The adoption of IFRS does not impact the underlying economics of the Company's operations or cash flows.

On April 23, 2010, the Company issued 3,000,000 flow through common shares at \$0.70 per share for total gross proceeds of \$2,100,000 by way of a private placement. The Company has adopted a policy, Note 3(i), whereby the premium in the amount of \$450,000 paid for flow-through shares in excess of the market value of the shares without the flow-through features at the time of issue was credited to a premium liability account.

During the year ended December 31, 2010, when qualifying expenditures were incurred, the Company recognized \$525,000 in deferred tax expense with corresponding credit to other liabilities. Upon renunciation of the qualified expenditures in December 2010, the other liability, in the amount of \$525,000 was recognized as a deferred tax recovery.

The Company reverses the premium liability for the flow-through shares to income, on a proportionate basis, as an offset to deferred tax expense. As at December 31, 2010 all qualified expenditures related to this flow through financing were incurred, accordingly the full amount of the premium liability was offset to deferred tax expense.

FUTURE ACCOUNTING PRONOUNCEMENTS

Certain new accounting standards and interpretations have been published that are not mandatory for the March 31, 2011 reporting period. The following standards are assessed not to have any impact on the Company's financial statements:

- Amendments to IFRS 7, Financial Instruments: Disclosure (effective July 1, 2011) introduces enhanced disclosure around transfer of financial assets and associated risks; and
- IFRS 9, Financial Instruments (effective January 1, 2013) introduces new requirements for the classification and measurement of financial assets and financial liabilities.

These accounting standards are not expected to have a significant effect on the Company's accounting policies or financial statements.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, short-term investments, amounts receivable, and accounts payable and accrued liabilities.

The Company is exposed in varying degrees to a variety of financial instrument related to risks. The Board approves and monitors the risk management processes:

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company is not exposed to any significant credit risk on its financial assets. Cash and cash equivalents consisting of Guaranteed Investment Certificates ("GICs") have been invested with Schedule 1 banks or equivalents, with its cash held in Canadian based banking institutions, authorized under the Bank Act to accept deposits, which may be eligible for deposit insurance provided by the Canadian Deposit Insurance Corporation. The receivables consist primarily of trade receivable of \$115,009 and taxes recoverable of \$87,969. \$100,000 of trade receivable was received subsequent to the quarter end.

GREAT BEAR RESOURCES LTD.

Management Discussion & Analysis of Financial Position and Results of Operation
For the Nine Months Ended September 30, 2011

Liquidity Risk

The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to settle obligations and liabilities when due. As at September 30, 2011, the Company had cash and short-term investments of \$2,445,047 to settle current liabilities of \$621,069 which mainly consist of accounts payable that are considered short term and settled within 30 days. The Company has sufficient capital to meet its requirements through the end of its fiscal year.

Market risk

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's short-term investments are invested in GICs with greater than 90 day terms but not greater than one year. These GICs have a fixed interest rate for the term of the deposit. The interest on GICs is typical of Canadian banking rates, which are low at present and the conservative investment strategy mitigates the risk of deterioration to the investment. A change of 100 basis points in the interest rates would not be material to the financial statements.

(ii) Commodity Price Risk

Commodity price risk is the risk of financial loss resulting from movements in the price of the Company's commodity inputs and outputs. The Company's risk relates primarily to the expected output to be produced at its mineral properties described in note 9 to its consolidated financial statements of which production is not expected in the near future.

CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of resource properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate available or committed financial resources to complete such acquisitions.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the nine months ended September 30, 2011. The Company is not subject to externally imposed capital requirements.

DISCLOSURE CONTROLS AND PROCEDURES

Management has assessed the effectiveness of the Company's disclosure controls and procedures used for the financial statements and MD&A as at September 30, 2011. Management has concluded that the disclosure controls are effective in ensuring that all material information required to be filed has been made known to them in a timely manner. The required information was effectively recorded, processed, summarized and reported within the time period necessary to prepare the annual filings. The disclosure controls and procedures are effective in ensuring that information required to be disclosed pursuant to applicable securities laws are accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

The Company's management, including its CEO and CFO, believe that any disclosure controls and procedures and internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable,

GREAT BEAR RESOURCES LTD.

Management Discussion & Analysis of Financial Position and Results of Operation
For the Nine Months Ended September 30, 2011

not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override to the future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

There have been no changes in the Company's internal controls over financial reporting during the quarter ended September 30, 2011 that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

Additional disclosures pertaining to the Company's material change reports, press releases and other information are available on the SEDAR website at www.sedar.com