



Management Discussion & Analysis

For the Nine Months Ended September 30, 2011 and up to November 11,
2011

Introduction

This is Management's Discussion and Analysis ("MD&A") for Millrock Resources Inc. ("Millrock" or "the Company") and has been prepared based on information known to management as of November 11, 2011. This MD&A is intended to help the reader understand the condensed consolidated audited financial statements of Millrock.

The Company, in compliance with the Canadian Institute of Chartered Accountants (CICA) Accounting Standards Board (AcSB), adopted the use of the International Financial Reporting Standards (IFRS) and transitioned from Canadian Generally Accepted Accounting Principles ("Cdn GAAP") to IFRS by the required date of January 1, 2011. This MD&A should be read in conjunction with the consolidated financial statements for the quarter ended September 30, 2011 and supporting notes. These consolidated financial statements have been prepared using accounting policies consistent with IFRS. A reconciliation of the previously disclosed comparative period's financial statements prepared in accordance with Cdn GAAP to IFRS is set out in Note 19.2 to these consolidated financial statements.

The Company's board of directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The board's Audit Committee meets with management regularly to review the consolidated financial statements, including the MD&A, and to discuss other financial, operating and internal-control matters.

All currency amounts are expressed in Canadian dollars unless otherwise noted.

Description of Business

Millrock Resources Inc. ("Millrock" or the "Company") is engaged in the acquisition, exploration and development of mineral properties prospective for gold, copper and other valuable metals. The Company follows a Project Generator – Joint Venture business model that capitalizes on Millrock's knowledge and ability to identify high quality exploration targets and execute excellent exploration programs. The Company has a focus on geologic terrains and models that can produce huge metallic deposits in two outstanding mining jurisdictions: Alaska and Arizona. This business model shares risk by partnering with other companies that invest capital to move exploration projects toward development and production. Millrock currently has eight active exploration projects in Alaska, and four in Arizona. Seven companies are currently earning in to Millrock's projects: Vale Exploration Canada ("Vale"), Kinross Gold Corporation ("Kinross"), Teck American Incorporated, a subsidiary of Teck Corporation ("Teck"), Inmet Mining Corporation ("Inmet"), Ryan Gold Corporation ("Ryan") (formerly Valdez Gold Corporation), Brixton Metals Corporation ("Brixton"), and Crescent Resources Limited. ("Crescent").

The Company has established a strong property portfolio prospective for the discovery of large-scale sediment-hosted vein gold deposits, intrusion-related gold and copper-gold porphyry deposits. Millrock is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec and Nunavut, and trades on the TSX Venture Exchange under the symbol MRO. The Company also trades on the OTCQX marketplace in the United States.

Forward Looking Statements

This document may contain “forward-looking information” within the meaning of Canadian securities legislation and “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 (collectively, “forward-looking statements”). These forward-looking statements are made as of the date of this document and the Company does not intend, and does not assume any obligation, to update these forward-looking statements.

Forward-looking statements relate to future events or future performance and reflect Company management’s expectations or beliefs regarding future events and include, but are not limited to, statements with respect to the estimation of mineral reserves and mineral resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved” or the negative of these terms or comparable terminology. By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of mineral resources; possible variations in ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

The following forward looking statements have been made in this MD&A:

- The Company discusses the potential to upgrade mineral exploration projects by way of early stage exploration;
- The Company notes that its cash resources are adequate to meet its working capital and mineral exploration needs for at least the next year;
- Drill programs are planned for various noted properties;
- The Company expects to have funding for and complete exploration work and drill programs for various noted properties.

Risks and Uncertainties

i) Exploration and Development Risk

The Company's properties in Alaska and Arizona are in early exploration stages and are without a known body of commercial ore. Exploration for mineral resources involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. Discovery of mineral deposits is dependent upon a number of factors, not the least of which are the technical skills of the exploration personnel involved and the capital required for the programs. The cost of conducting programs may be substantial and the likelihood of success is difficult to assess. There is no assurance that the Company's mineral exploration activities will result in any discoveries of new bodies of commercial ore. There is also no assurance that even if commercial quantities of ore are discovered that a new ore body would be developed and brought into commercial production. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which are the particular attributes of the deposit (such as size, grade and proximity to infrastructure), commodity prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. Most of the above factors are beyond the control of the Company. The Company attempts to mitigate its exploration risk by maintaining a diversified portfolio that includes several metal commodity targets in a number of geologic and political environments. Management also balances the exploration risks through option agreements with other companies.

Beyond exploration and development risk, management is faced with a number of other risk factors. The more significant ones include:

ii) Financial Markets

Presently, the Company obtains the majority of its working capital from other companies that are funding exploration on Millrock projects in order to earn an interest in the mineral rights. However, the Company will be dependent on the equity markets as its main source of operating working capital and funding for any advanced exploration and development activities that may be needed on its projects. The Company's capital resources are largely determined by the strength of the resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for the investor support of its projects. Consequently, there can be no assurance that equity financing will be available to the Company in the amount required at any time or for any period or if available, that it can be obtained on terms satisfactory to the Company.

iii) Metal Prices

The price of gold is affected by numerous factors including central bank sales, producer hedging activities, the relative exchange rate of the U.S. dollar with other major currencies, supply and demand, political, economic conditions and production levels. In addition, the price of gold has been volatile over short periods of time due to speculative activities. The price of other metals and mineral products that the Company may explore for all have the same or similar price risk factors. The prevailing price of metals and speculation on future price of metals by the investing public can have strong impacts on the share prices of exploration companies like Millrock.

iv) Currency risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in the USA and as such, a large portion of its expenses are incurred in the U.S. dollars, which could cause a significant change in the results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations as the Company considers these risks at a minimum.

v) Cash Flows and Additional Funding Requirements

The Company currently has no revenue from operations. If any of its exploration programs are successful and optionees of properties complete their earn-in, the Company would have to provide its share of ongoing exploration and development costs in order to maintain its interest or be reduced in interest or to a royalty interest. Additional capital would be required to put a property into commercial production. The sources of funds currently available to the Company are the sale of its, marketable securities, equity capital or the offering of an interest in its projects to another party. The Company currently has sufficient financial resources to undertake all of its planned exploration programs. However, the companies to which the Company options properties could well encounter difficulty in financing such projects.

vi) 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 majority of the Company's cash is held through a large Canadian financial institution with a high investment grade rating.

vii) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity risk through the management of its capital structure and financial leverage. The Company insists on pre-payment of costs for exploration program that have been approved by partner companies. Work does not commence unless funds to cover the cost of the work have been received.

viii) Interest Rate Risk

The Company's exposure to interest rate risk arises from the interest rate impact on its cash. There is minimal risk that the Company would recognize any loss as a result of a decrease in the fair value of any short-term investments included in cash due to the short term nature.

ix) Market Volatility for Marketable Securities

The Company's marketable securities consist of shares of exploration companies which are historically very volatile. There is no assurance that the Company will be able to recover the current fair market value of those shares. The Company also may hold large number of shares in those companies which may be difficult to sell in illiquid markets from time to time.

x) Possible Dilution to Present and Prospective Shareholders

The Company's plan of operation, in part, contemplates the financing of its business by the issuance of securities and possibly, incurring debt. Any transaction involving the issuance of previously authorized but unissued shares of common stock, or securities convertible into common stock, would result in dilution, possibly substantial, to present and prospective holders of common stock. The Company usually seeks joint venture partners to fund in whole or in part exploration projects. This dilutes the Company's interest in properties. This dilution is undertaken to spread or minimize the risk and to expose the Company to more exploration opportunities. However, it means that any increased market capitalization or profit that might result from a possible discovery would be shared with the joint venture partner. There is no guarantee that the Company can find a joint venture partner for any property.

xi) Material Risk of Dilution Presented by Large Number of Share Purchase Options and Warrants

At quarter end there were 6,320,000 stock options and 11,013,750 warrants outstanding. Directors and officers held 3,750,000 of the options and 650,000 of the warrants, and 1,700,000 of the options were held by employees and consultants of the Company. As of the quarter end there were 70,019,081 shares issued and outstanding. On a fully diluted basis including stock options and warrants the Company has a capitalization of 87,352,831 shares.

xii) Trading Volume

The relatively low trading volume of the Company's shares reduces the liquidity of an investment in its shares. Trading volumes fluctuate with market conditions and seasons. The Company attempts to reduce this risk by having multiple projects that are continually generating news and therefore investor interest and trading volume.

xiii) Volatility of Share Price

Market prices for shares of early stage companies are often volatile. Factors such as announcements of mineral discoveries or discouraging exploration results, changes in financial results, and other factors could have a significant effect on share price.

xiv) Competition

There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company competes with other exploration and mining companies, many of which have greater financial resources than the Company, for the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel.

xv) Dependence on Management

The Company depends heavily on the business expertise of its management. There is risk to the Company's ability to execute its business plans if some or all of the current management team were to suddenly leave the Company or become incapable of performing their individual and collective responsibilities. The Company has mitigated the risk of its managers leaving for other

companies through competitive compensation, cash bonuses and by providing options to purchase Millrock stock. Some of the senior managers hold substantial share positions in Millrock and are motivated to remain with the Company. The Company has also developed the necessary depth such that it can replace senior managers with more junior staff if necessary. Despite the mitigation measures the Company still depends heavily on its current management.

xvi) Title Risk

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee a clear title. Property title may be subject to unregistered prior agreements and regulatory requirements. The Company is not aware of any disputed claims of title

xvii) Environmental

The Company's exploration and development activities are subject to extensive laws and regulations governing environment protection. The Company is also subject to various reclamation-related conditions. Although the Company closely follows and believes it is operating in compliance with all applicable environmental regulations, there can be no assurance that all future requirements will be obtainable on reasonable terms. Failure to comply may result in enforcement actions causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures. Intense lobbying over environmental concerns by non-governmental organizations have caused some governments to cancel or restrict development of mining projects. Current publicized concern over climate change may lead to carbon taxes, requirements for carbon offset purchases or new regulation. The costs or likelihood of such potential issues to the Company cannot be estimated at this time.

xviii) Laws and Regulations

The Company's exploration activities are subject to extensive federal, state and local laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health and safety, mine safety and other matters in all the jurisdictions in which it operates. These laws and regulations are subject to change, can become more stringent and compliance can therefore become more costly. The Company applies the expertise of its management, advisors, employees and contractors to ensure compliance with current laws.

xix) Mineral Resource Estimates

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. No assurances can be given that the volume and grade of reserves recovered and rates of production will not be less than anticipated.

Use of the Terms "Mineral Resources" and "Mineral Reserves"

Any reference in this MD&A to Mineral Resources does not mean Mineral Reserves. Under NI 43-101, a Mineral Reserve is the economically mineable part of a Measured or Indicated Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This Study must include

MILLROCK RESOURCES INC.
Management Discussion and Analysis
For the Quarter Ended September 30, 2011

adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A Mineral Reserve includes diluting materials and allowances for losses that may occur when the material is mined. Mineral Resources are sub-divided, in order of increasing geologic confidence, into Inferred, Indicated and Measured categories. An Inferred Mineral Resource has a lower level of confidence than that applied to an Indicated Mineral Resource. An Indicated Mineral Resource has a higher level of confidence than an Inferred Mineral Resource but has a lower level of confidence than a Measured Mineral Resource.

The terms “Mineral Reserve,” “Proven Mineral Reserve” and “Probable Mineral Reserve” are Canadian mining terms as defined in accordance with NI 43-101 and the CIM Standards. These definitions differ from the definitions in SEC Industry Guide 7 under the U.S. Securities Act. Under SEC Industry Guide 7, a reserve is defined as part of a mineral deposit which could be economically and legally extracted or produced at the time the reserve determination is made. Under SEC Industry Guide 7 standards, a “final” or “bankable” feasibility study is required to report reserves, the three-year historical average price is used in any reserve or cash flow analysis to designate reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority.

In addition, the terms “Mineral Resource,” “Measured Mineral Resource,” “Indicated Mineral Resource” and “Inferred Mineral Resource” are defined in and required to be disclosed by NI 43-101; however, these terms are not defined terms under SEC Industry Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC. Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves. “Indicated Mineral Resource” and “Inferred Mineral Resource” have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all, or any part of an Indicated Mineral Resource or Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Investors are cautioned not to assume that all or any part of an Inferred Mineral Resource exists or is economically or legally mineable. Disclosure of “contained ounces” in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute “reserves” by SEC standards as in place tonnage and grade without reference to unit measures.

Accordingly, information contained in this MD&A filed herewith or incorporated by reference herein contain descriptions of mineral deposits that may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under United States federal securities laws and the rules and regulations promulgated thereunder.

**CAUTIONARY NOTE TO U.S. INVESTORS REGARDING MINERAL RESOURCE AND
MINERAL RESERVE ESTIMATES**

Cautionary Note – The United States Securities and Exchange Commission (“SEC”) permits U.S. mining companies, in their filings with the SEC, to disclose only those mineral deposits that a company can economically and legally extract or produce. Millrock Resources Inc. uses certain terms such as “measured”, “indicated”, “inferred”, and “mineral resources,” which the SEC guidelines strictly prohibit U.S. registered companies from including in their filings with the SEC. Accordingly, information contained in this MD&A contains descriptions of our mineral deposits

that may not be comparable to similar information made public by U.S. companies which are subject to the reporting and disclosure requirements under United States federal securities laws and the rules and regulations promulgated thereunder. While Millrock is not a U.S. registered company, it does trade through the OTCQX marketplace, its projects are all in the U.S., the Company owns two U.S.-based subsidiary companies, the main operational office is in Anchorage, Alaska, and there are a substantial number of U.S. shareholders of Millrock. For these reasons Millrock cautions U.S. investors regarding mineral resource and mineral reserve estimates that may be mentioned in this MD&A.

Additional Information

Financial statements, MD&A documents and additional information relevant to the Company and the Company's activities can be found on SEDAR at www.SEDAR.com, and/or on the Company's website at <http://www.millrockresources.com>.

General

The Company continued to advance its business objectives in the third quarter of 2011. Business partners have agreed to strong budgets for exploration work on Millrock's properties in 2011. Modifications to some budgets have been made during the year resulting in a net increase in planned expenditures through the year. If all projects proceed as currently budgeted, Millrock will execute in excess of \$15 million dollars (\$14 million budgeted as of the end of the second quarter of 2011) on its exploration programs this year, with more than \$13.5 million coming from partner companies. Drilling operations were completed on three Arizona projects, and further drilling is presently being done. Drilling on three Alaska projects has been completed. More claim blocks have been staked in Alaska, a new Strategic Alliance for with Vale for copper porphyry exploration in Alaska was formed.

Highlights for the Quarter Ended September 30, 2011 and for the Subsequent Period up to November 11, 2011

- i) **San Jose and Dry Mountain Projects, Arizona:** On July 15, 2011 the Company provided an update on the continuing exploration of the San Jose and Dry Mountain copper-gold projects in Arizona. No mineralization of note was intersected in the drilling program completed earlier in the year, however, ZTEM geophysical survey results for the northern part of the claim block returned encouraging anomalies. Millrock's partner Inmet authorized further drilling which is presently underway. [Refer to full news release dated July 15, 2011 on \[www.sedar.com\]\(http://www.sedar.com\) for further details.](#)
- ii) **Uncle Sam Project, Alaska:** On July 28, 2011 the company released phase one drill results on the Uncle Sam Project. The drilling confirmed near surface gold mineralization, including 11.40 meters at 4.86 g/t gold. Also during the prior quarter Sumitomo Metal Mining Company announced the discovery of a gold mineralized zone on strike 2.5 km from the Wolf prospect. The Uncle Sam property covers a substantial portion of the intervening land between the two prospects. [Refer to the full news release dated July 28, 2011 on \[www.sedar.com\]\(http://www.sedar.com\) for further details.](#)

- iii) **Q4P Strategic Alliance:** On October 17, 2011 Millrock announced a new strategic alliance with Vale to explore for porphyry copper deposits in Alaska. Under terms of the agreement Vale will provide funding to Millrock research and early-stage exploration work. Specific projects that result will become subject to an earn-in style Option to Joint Venture Agreement in which Vale may earn up to a 75% interest by funding the full cost of exploration and development until a positive feasibility study has been completed.
- iv) **Management Changes:** On October 19, 2011 Millrock announced that Dr. Adrienne Ross had resigned her position as Vice President of Operations. Concurrently, the promotion of Philip St. George to Chief Exploration Officer (previously Vice President of Exploration) and the promotion of Sarah Whicker to the position of Chief Operating Officer (previously Vice President of Sustainable Development) was announced.
- v) **Alaska Exploration Programs:** Millrock completed two other drilling programs this quarter at the Estelle project, and the Humble project. Various exploration activities were carried out on other Millrock projects in the state.

Outlook

Millrock has sufficient cash on hand to conduct its exploration and development plans for at least the next 18 months. The Company has set milestones for its 2011 exploration programs. The milestones for the first nine months of 2011 have been met and the Company appears to be on track to meet its objectives for the remainder of the year. At the outset of 2011 Millrock anticipated that the total amount that it would expend on exploration would be approximately \$14 million with 90% of the funding coming from joint venture partners. The present outlook indicates that total exploration expenditures for 2011 will increase to approximately \$15 million. Millrock anticipates that management fees it collects from its partners for exploration program management and option agreement payments will meet projections. The following projects have been planned or executed in 2011.

i) Alaska Projects:

Bluff: \$350,000 budget (revised downward from \$600,000 - 100% from Ryan Gold); structural mapping and airborne magnetic and radiometric survey to define drill targets for 2012. Program completed, reporting underway.

Council: \$400,000 budget (100% from Kinross); mapping, prospecting, soil sampling to define drill targets for 2012. Program completed, reporting underway.

Cristo: \$100,000 budget (revised downward following revised agreement - 100% from Brixton); mapping, prospecting to define drill targets for 2012. Program completed.

Revelation: \$30,000 budget (100% from Millrock); prospecting and marketing to potential partners. Program completed, marketing documents in progress.

Estelle: \$3,455,000 budget (100% from Teck); 2,500 m of drilling, rock sampling, soil sampling, prospecting. Millrock anticipates that Teck will have made exploration expenditures sufficient to allow exercise of their option to own a 55% interest in the project. Program completed, data analysis and reporting underway.

Uncle Sam: \$2,500,000 budget (actual estimated to be \$2.34 million - 100% from Crescent); 2,000 m of drilling, extensive geochemical surveys to define drill targets for 2012. Program completed, data analysis and reporting underway.

Humble: \$1,400,000 budget (revised upward to \$1.7 million - 100% from Kinross); 2,000 m of drilling, extensive geochemical surveys to define drill targets for 2012. Program completed, data analysis and reporting underway.

Fortymile: \$100,000 budget (100% from Millrock); surface surveys to advance property to point of being marketable to potential partners. Program completed, data analysis underway.

Kahiltna and other Altius Strategic Alliance Activities: \$750,000 budget (increased from 600,000 - 100% from Millrock); surface surveys to advance properties to point of being marketable to potential partners. Program completed, marketing documents being created.

Q4P Strategic Alliance with Vale: New project budgeted at \$700,000 for the remainder of 2011. Work in progress.

ii) Arizona Projects:

Galiuro: \$2,000,000 budget (increased to \$2.4 million 100% from Vale). Phase 2 drilling in progress.

Dry Mountain: \$800,000 budget (100% from Inmet). Phase 2 drilling in progress.

San Jose: \$1,800,000 budget (increased from \$1.5 million - 100% from Inmet). Phase 2 drilling in progress.

iii) Project Generation: \$300,000 budget (increased to \$640,000 - 100% from Millrock); Millrock will continue to generate projects throughout Alaska and Arizona through research and early stage exploration work and property acquisition. Increased due to property acquisitions. Work continues.

Millrock's business model continues to function as anticipated. The Company is creating opportunity for exploration discovery without dilution of its shareholder's interests by equity financings. The Company has established a solid foundation and is continuing to build toward a fully sustainable, cash-flow positive exploration company.

Operations Review

Alaska Properties

Millrock owns and operates seven mineral exploration projects in Alaska in four distinct regions: the Seward Peninsula of western Alaska (Bluff and Council projects); the Kahiltna Terrane of south-central Alaska (Estelle, Revelation, and Cristo); the Togiak Terrane of south-west Alaska (Humble) and the Tintina Gold Belt of eastern Alaska (Uncle Sam and Fortymile). The following provides an overview of each property, results of operations for the year, as well as any related corporate developments:

BLUFF PROPERTY, Seward Peninsula

Previously explored by BHP Minerals (“BHP”), the Bluff property is located about 80 km east of Nome and was acquired in 2008 by agreement with the Bering Straits Native Corporation (“BSNC”) whereby Millrock has the option to earn 100% leasehold interest.

BHP in the 1980s established potential for a gold resource and a modest drilling program by Millrock confirmed the presence of gold mineralization at Bluff in 2008. All data to date suggest a robust gold system with many untested targets, and with excellent potential for expanding target areas. During 2009 limited work at Bluff was undertaken due to the unfavorable market conditions.

In the first quarter 2010, efforts to secure a joint venture partner were successful and an agreement was finalized in April. Terms call for Valdez Gold Corp. (now renamed Ryan Gold) to earn an initial 55% interest with the exploration expenditure of US\$3.0 million, option payments of US\$300,000 and issuing to Millrock 900,000 shares of Valdez; Valdez may elect to earn up to 75% interest by making a further US\$3.0 million in exploration expenditures, US\$600,000 in option payments, and issuing 1.1 million Valdez shares. Millrock may earn back 25% to form a 50-50 joint venture by doubling Valdez’s investment. The shares of Valdez Gold were consolidated on a 3.5:1 basis for Ryan Gold shares. Millrock now holds Ryan Gold shares and future share payments will be received from Ryan on a post-consolidation basis.

As operator, Millrock undertook a comprehensive program of data compilation into a GIS environment capable of 3D viewing of surficial and drill hole geology and geochemistry in preparation for a resource calculation and for future drill targeting. This exercise allowed Millrock along with Ryan Gold to design a comprehensive exploration program for future years.

In the third quarter of 2010 Millrock executed a drilling program to test the Daniel’s Creek zone with funding provided by earn-in partner Valdez Gold. Fences of short (~130 m) holes were drilled by Millrock. In total 2,800 m of reverse circulation drilling in 24 holes was completed. The Daniel’s Creek zone mineralization was confirmed, and extended in a westerly direction by 375 m and in an easterly direction by 250 m. The mineralized zone now has a known strike extent of 940 m.

The best intersection of the program was in hole BLF2021, which consisted of 32.0 m grading 3.8 g/t gold including a section grading 9.0 g/t gold over 12.2 m. This intersection appears to be from a previously undiscovered, parallel zone situated at a lower stratigraphic level than the known Daniel’s Creek zone. In addition, drill hole BLF2015 intersected 32.0 m at 1.9 g/t gold including 18.3 m at 3.0 m. Further drilling will be required to define the known zone and expand the newly discovered zone.

During the first quarter of 2011 Millrock and Ryan agreed to a US\$600,000 budget for the year. The work was planned to consist of a two-phase structural mapping program and a high-resolution airborne magnetic survey. Both phases of the structural mapping are complete. The magnetic survey, which was planned for the third quarter could not be completed due to limited equipment availability from contractors. The structural study will be used together with existing data to identify gold mineralization controls and to trace auriferous structure beneath cover. Further drilling at the known gold zones and new targets will be deferred to 2012.

COUNCIL PROJECT, Seward Peninsula

The Council project entails three groups of claims – Council, Albion and Warm Creek – located roughly 100 km northeast of Nome, and along with a surrounding area of interest covers over 900 sq km. Mineral rights that comprise the project were acquired from three sources: 1) from the Bering Straits Native Corporation whereby Millrock has the option to earn a 100% leasehold interest, 2) through an option to purchase state claims from a group of private individuals, and 3) by staking state mining claims.

The Council area has long been a productive placer gold mining region with an estimated 300,000 to 500,000 ounces of historic gold production. Millrock is exploring to locate the bedrock source of the alluvial gold deposits that have been previously mined along the Niukuluk River, Ophir Creek and Albion Creek.

Once the mineral rights to most of the historic gold mining district had been secured, Millrock entered an agreement with Kinross whereby that company can earn an initial interest of 55% in the Council area of interest with the expenditure of US\$3 million and US\$260,000 in cash payments, and up to a 75% interest with an additional expenditure of US\$3 million. The 2010 exploration program commenced in the second quarter and was completed in the third quarter of 2010. It was designed to 1) drill test coincident gold-arsenic geochemical anomalies in the uplands of a historic placer region at the Albion prospect, 2) conduct detailed soil surveys as infill programs between existing anomalous regions and 3) to begin testing the largely under-explored land package with a reconnaissance geochemical survey. Millrock is the operator for exploration activities on the project with funding provided by earn-in partner, Kinross.

Initial drill testing, at the Albion prospect, consisted of short (~120 m) holes. In total, 2,062 m of reverse circulation drilling in 17 holes was completed. Two holes, CNL1013 and CNL1014, intersected > 1 g/t Au mineralization, confirming bedrock mineralization at the Albion Prospect.

Surface geochemical survey results were encouraging. A total of 1990 soil samples were taken in the region with the best result of 344 ppb coming from an infill survey testing the ground between the northwest-striking, 900 m by 2000 m, Albion geochemical anomaly and an even larger, parallel anomaly to the northeast. The new survey results join the Albion and northern anomaly areas along a previously undefined, northeast trend consisting of anomalous gold and pathfinder elements. The total length of this new trend is 3800 m.

The reconnaissance geochemical survey identified two new areas with anomalous gold (up to 150 ppb gold in soils) and associated pathfinder elements. The areas are over 12 km apart with limited geochemical sampling between them.

Kinross and Millrock agreed to a 2011 exploration program valued at US\$600,000 but it was later revised downward to \$400,000. The program of mapping, prospecting and soil sampling was successfully carried out. Results have been received and are being evaluated.

ESTELLE PROPERTY, Kahiltna Terrane

Millrock owns a 100% interest in the Estelle property, located 160 km northwest of Anchorage. The claims are situated in the heart of the Kahiltna Terrane, a regional rock assemblage that is

MILLROCK RESOURCES INC.
Management Discussion and Analysis
For the Quarter Ended September 30, 2011

host to at least one known world-class copper-gold deposit – Pebble. Estelle is located roughly 200 km north of the Pebble deposit which is co-owned by Northern Dynasty and Anglo American. Adjacent to the east of Estelle is Kiska Metals Corporation’s (“Kiska”) Whistler copper-gold porphyry deposit, another well-advanced project with a reported resource totaling over five million ounces of gold.

Preliminary work conducted by Millrock in 2008 identified high-grade gold veins spanning the property which measures approximately 5 km by 20 km. These gold-bearing veins are significant targets, but at the Shoeshine and Oxide Ridge prospects the veins are spatially associated with porphyritic intrusive rocks, quartz stockworks and hydrothermal breccias. These features, and extensive surface geochemical anomalies, indicate the potential for large, bulk minable, intrusion-related or porphyry-style deposits.

In 2009 chip sampling returned very encouraging results: at Shoeshine, samples averaged 1.2 g/t gold over 12.1 m; at Oxide Ridge samples averaged 1.0 g/t over 22.9 m. Several drill targets were identified for drilling in 2010, and search for a funding partner was begun. In 2010 Millrock entered an agreement with Teck. Teck provided financing in the form of a private placement. Millrock committed to use the funds to advance the project and further define drill targets. The Company advanced the Estelle project in 2010 by conducting a comprehensive geological, geochemical and geophysical program that was designed in close consultation with Teck. Numerous zones of anomalous gold mineralization were obtained by chip sampling at the Shoeshine prospect in 2010. One highlight chip sample returned a strong interval of 9.1 g/t gold over 27.4 m. An induced polarization anomaly was detected on two reconnaissance lines north of the Oxide Ridge gold showing. The chargeability anomaly is estimated to be at 250 m depth and is favourably situated beneath a large geochemical anomaly. Numerous drilling targets were generated as a result of the work.

As a result of the financing arrangement, Teck had the ability to enter an exploration agreement with predefined terms. Teck entered the exploration agreement in the first quarter of 2011. By virtue of the agreement Teck may earn a maximum 65% interest by expending US\$8.6 million on exploration and paying Millrock \$400,000 prior to the end of 2014.

Millrock proposed a budget of US\$3.4 million to do the first round of drilling and other surface surveys in 2011. The proposed program and budget was accepted and approved by Teck in this reporting period, then subsequently increased to US\$3,455,000. Subsequent to the end of the quarter Teck and Millrock agreed to expand the Area of Interest subject to the agreement and claims that Millrock had staked outside the Area of Interest were included in the agreement. Another group of claims was leased from an Anchorage firm. The costs of the lease agreement were born by Teck as qualifying exploration expenditures. Teck also exercised options that it held from the financing arrangement. A total of 1,363,636 warrants were exercised at a price of \$0.53 for proceeds of \$722,727.08.

The entire program was completed in the third quarter of 2011. The work included four core holes to test the Oxide Ridge, Shoeshine, Shadow and Discovery prospects. Extensive geochemical and geological surface work was also done. A number of new prospects were identified.

CRISTO PROPERTY, Kahiltna Terrane

The St. Eugene and Monte Cristo properties were staked in February 2010 as a result of Millrock's 2009 Kahiltna prospecting program which produced a number of new surface gold and copper discoveries. For their funding of the Millrock-Altius strategic alliance in this regional reconnaissance effort, Altius had the right to form a 50-50 joint venture with Millrock on the exploration of St. Eugene and Monte Cristo, which they elected to do. However, with the amendment of the Altius strategic alliance this joint venture was abandoned. Pursuant to the amended strategic alliance, Altius is entitled to a gross royalty of 2% on gold and 1% on base metal production from the claims.

In 2010, Millrock exploration crews discovered additional mineralization between the two claim blocks, and it was decided to stake 21 additional, intervening claims that joined the two pre-existing blocks together. The combined properties were renamed Cristo property. On January 11, 2011 the Company announced it had staked a further 252 claims within the area of interest surrounding the Cristo claim block.

The Cristo project is located 130 km northwest of Anchorage. The target at the east end of the Cristo project is a large tonnage, intrusive-related gold-rich porphyry deposit. Millrock's field team has discovered porphyritic intrusive rocks containing anomalous gold values in rock and soil over a distance of 1.5 km. Soil samples ranged up to 400 ppb gold and averaged 86 ppb gold from 22 samples. Rock assays ranged up to 4.2 g/t gold and averaged 0.493 g/t gold from 17 samples. At the west end of the project, the claims host a copper-gold-molybdenum porphyry system initially discovered in the 1970s, but recent glacial retreat afforded Millrock geologists a fresh view of the property and indications of the potential presence of a copper deposit. Millrock carried out additional sampling of talus fines, rocks and soils on the claims in the second quarter of 2010. Results became available in quarter three. In summary, the work resulted in the delineation of a 700 m strike length of copper and gold mineralization with rock samples assaying greater than 1% copper and 0.5 g/t gold in carbonate-altered hornfels. The work showed that there are multiple styles of mineralization including stockwork, quartz-carbonate veining, chalcopyrite and copper oxide staining, clay alteration, and strong iron staining.

In the first quarter of 2011 Millrock announced that it had made an option to purchase agreement for the Cristo property with Brixton. The terms of the agreement are: \$330,000 in cash payments, 2.0 million Brixton shares and 2.4 million warrants with an exercise price of \$1.00 per share. Additionally, Brixton will have to expend US\$5.0 million on the property in order to earn a 100% interest. Brixton will operate exploration.

Brixton has struggled to raise financing, and at their request, Millrock agreed to a change in the agreement between the two companies. On August 17, 2011 Millrock agreed to defer the work commitment schedule by one year. In return, Brixton agreed to perform at least the minimum work required to maintain the property in good standing, pay all claim rentals in a timely manner, and commit to make the otherwise optional cash payment of US\$200,000 before December 31, 2011 and to make the otherwise optional share issuance of 800,000 Brixton shares before December 31, 2011 and to issue an additional 500,000 Brixton shares before December 31, 2011. The agreement is presently in good standing. Brixton has provided proof that it has performed the needed work, filed it with the appropriate government agency and paid the rentals.

REVELATION PROPERTY, Kahiltna Terrane

Staked in January 2010, Revelation was the third new property identified by Millrock's regional prospecting program in the Kahiltna Terrane area. It is located in the Rainy Pass district about 200 km northwest of Anchorage and comprises 36 claims covering 2,331 hectares. It is also in proximity to known gold deposits at International Tower Hill's Terra property, and located west of Estelle and Kiska's Whistler project.

Millrock staked the claims following the purchase of maps and data from consulting geologist Gerald Booth. The purchase agreement consists of payments of US\$45,000 made over four years and the issuance of 40,000 Millrock shares. In the event an ore body is discovered, a further payment of US\$2.0 million will be made upon commencement of commercial production.

At Revelation, Millrock is targeting a large-tonnage, intrusive-related gold deposit. Large-scale geochemical stream and soil anomalies have been recorded in the area and indicate that the mineralized zone extends under the receding glacial coverage.

During 2010 Millrock carried out limited mapping and sampling to better demonstrate the extent of the mineralization and alteration system. Several zones of anomalous copper and gold mineralization were identified. Millrock is currently seeking a joint venture partner to fund exploration.

In the third quarter Millrock completed a short exploration program, confirming some mineralized zones identified by geochemical surveys in prior years. An active effort to market the project to prospective partners is under way.

UNCLE SAM PROPERTY, Tintina Gold Belt

The Uncle Sam project is an intrusive-related gold target located approximately 75 km southeast of Fairbanks in the Tintina Gold Belt. Covering 3,131 hectares, the property consists of 194 State of Alaska mining claims. The target may be a vein-style deposit similar in nature to the Pogo Mine (+5 million ounces), located 60 km to the east of Uncle Sam, or similar to the disseminated style of mineralization at the Fort Knox Mine (+5 million ounces) located 70 km to the northwest.

Uncle Sam was acquired in November 2009 from Kiska which supplied an extensive exploration data package demonstrating presence of an exceptionally large gold geochemical anomaly as well as a highlight drill intersection of 10.6 m averaging 6.1 g/t gold and a total of 18 individual drill intersections of greater than 1.0 g/t gold over drilled widths ranging from 3 m to 12 m.

Terms of the agreement with Kiska include the right of Millrock to earn a 100% interest in Uncle Sam with a total exploration expenditure of US\$2.7 million, cash payments totaling US\$200,000 and the issuance of one million shares of Millrock stock.

During the first quarter of 2011 the Company announced it signed a definitive agreement with Crescent which gives that company the exclusive option to earn a 100% interest in the Uncle Sam claim group in return for a cumulative US\$2.5 million in exploration expenditures, US\$300,000 in cash payments and Crescent share issuances to Millrock. If the earn-in agreement proceeds to

MILLROCK RESOURCES INC.
Management Discussion and Analysis
For the Quarter Ended September 30, 2011

December 31, 2011, Millrock will be issued that number of shares to give the Company 18% of the issued and outstanding shares of Crescent on that date.

Additionally, Crescent will issue to Millrock additional common shares in connection with independently verified gold resources defined on the Property as measured or indicated resources under National Instrument 43-101 in the following amounts:

Ounces of Gold Resources defined under NI 43-101:	Common Shares of Crescent to be Issued to Millrock:
1,000,000 ounces	1,500,000 common shares
2,000,000 ounces and greater	1,000,000 common shares for every additional 1,000,000 ounces

During the first quarter of 2011 Millrock undertook an auger drill program to advance geochemical coverage in areas of thicker overburden. Millrock carried out a core drilling program in the second quarter of 2011. The first phase of the current drilling program concentrated on the Wolf Prospect at the southern end of the claim block. Drilling targeted a very strong gold in soil anomaly measuring over 2,000 m in length and 1,000 m in width. Prior, historic drilling by previous explorers had returned encouraging results such as reverse circulation drill hole USRC-22, where an intersection graded 4.45 g/t gold over 15.54 m and USR - 055, which contained an interval of 13.72 m averaging 1.34 g/t gold. In the current program at Wolf a total of 621 m in four holes were drilled. The Wolf Prospect results confirm the presence of strong, near-surface gold mineralization and continuation along strike. A summary of significant results follows:

Drill Hole	From meters	To meters	Interval - meters	Gold g/t
WLF-001	41.76	44.50	2.74	3.63
WLF-002	35.66	47.06	11.40	4.86
WLF-003	57.00	60.05	3.05	3.27
WLF-004	48.77	50.90	2.13	1.81

Gold mineralization at the Wolf Prospect appears to strike in a northwest - southeast orientation with a gentle southwest dip, and is open to depth and in both strike directions. The mineralization appears to have the same orientation as a new gold zone recently announced by Sumitomo at their Stone Boy Project ([view here](#)) the new zone, called Naosi by Sumitomo, is located just 500 m southeast of the Uncle Sam project claim boundary and two km southeast of the Wolf zone. Sumitomo reports that the Naosi zone consists of a vein system continuous over at least a 1,500 m strike and 500 m in the down-dip direction. The zone includes a highlight intersection of 7.92 m averaging 7.8 grams per metric ton gold and 19.7 g/t silver. The proximity of the two zones, and the similar orientation along a controlling northwest trending structure suggests the possibility of a larger gold mineralized system.

Five diamond drill holes have also been completed at the Lone Tree prospect which is located further to the northwest from the Naosi and Wolf prospects in the northern part of the Uncle Sam property. Assay results for these holes are awaited. Drilling targeted a very strong gold in soil

MILLROCK RESOURCES INC.
Management Discussion and Analysis
For the Quarter Ended September 30, 2011

anomaly that measures approximately 4,000 m in length and up to 1,000 m wide. Previous drilling by other operators has returned encouraging results such as drill holes USC-011, which contained an intersection of 19.22 m averaging 2.03 g/t gold and USC-013, which contained 6.0 m averaging 1.79 g/t gold and 14.0 m averaging 1.65 g/t gold.

During the third quarter, results were analyzed, and reports written.

HUMBLE PROPERTY, Togiak Terrane

On November 29, 2010 the Company announced it had staked a block of claims in the Togiak Terrane, southwest Alaska. The staked claims (the "Humble claim group") are located on state land approximately 80 km northeast of Dillingham, Alaska, covering multiple geophysical targets with coincident surface geochemical anomalies. Historical drilling and recent geophysical and geochemical surveys indicate the potential for copper-gold-molybdenum porphyry-style mineralization.

Geological, geochemical and geophysical characteristics bear similarities to the Pebble deposit, a porphyry deposit that is reported to contain a measured and indicated resource of 5.94 billion tonnes grading 0.42% Cu, 0.35 g/t Au, 250 ppm Mo (containing 55 billion lb of copper and 66.9 million oz of gold and 3.3 billion lb molybdenum) and an inferred resource of 4.8 billion tonnes grading 0.24% Cu, 0.26 g/t Au, 215 ppm Mo (containing 25.6 billion lb of copper and 40.4 million oz of gold and 2.3 billion lb molybdenum) (source: www.northerndynastyminerals.com).

Project highlights include:

- Late Cretaceous aged magmatic complex of similar age to that which hosts the Pebble deposit
- Magnetite-rich pyroxenite rock overprinted by porphyry-style mineralization adjacent to the target area, similar to Pebble
- Circular to semi-circular conductive zones detected by airborne geophysical surveys surrounding magnetic anomalies (which at the Pebble deposit, represents the pyrite halo to the deposit)
- Zoned, multi-element, surface geochemical anomalies overlying geophysical targets commonly indicative of porphyry mineralization

Concurrently with staking, the Company announced an agreement with Kinross which gives Kinross the exclusive option to earn a 60% joint venture interest in an area of interest which includes the Humble claim group, in return for incurring cumulative US\$4 million in exploration expenditures by December 31, 2013, making payments to Millrock totaling US\$200,000 and reimbursing the 2010 state maintenance fees paid by Millrock.

Kinross may earn a further 15% interest in the Humble property by incurring an additional US\$6 million in exploration expenditures by December 31, 2016. Millrock will manage exploration on the project and Kinross may elect to take over management of the project at any time. Notwithstanding Kinross' earned interest, Kinross agrees to carry Millrock's equity position and funding participation in the joint venture until Kinross provides Millrock with a NI43-101 compliant report stating a minimum of 2.0 million gold-equivalent ounce resource on the Humble

property. Kinross shall recoup its carrying expenditures on behalf of Millrock from future proceeds to the joint venture.

A large portion of the Humble property is subject to a 2% net smelter returns royalty ("NSR") on gold, and a 1% NSR on other metals production in favour of Altius Resources Inc., Millrock's partner in a strategic alliance of regional prospecting in Alaska which resulted in the staking of the Humble property.

During the first quarter of 2011 Millrock designed an initial drilling program consisting of eight shallow holes. Further geochemical surveys were also planned. Kinross has approved the program and budget of US\$1.4 million.

The drilling program was carried out in the third quarter of 2011. Substantial difficulty was encountered. The drilling contractor failed to arrive at the site on time and provided inferior crew and equipment. Overburden was thick, over 160 m, and proved very difficult to drill with the supplied equipment. Three holes successfully reached bedrock. No obvious mineralization was noted. Extensive surface geochemical surveying was completed. Results are currently being analyzed.

FORTY MILE PROPERTY, Tintina Gold Belt

Millrock owns 100% interest in the Fortymile property package in east-central Alaska, approximately 90 km southwest of the White Gold deposit of Underworld Resources and in an historic mining region where over 300,000 ounces of placer gold production has been recorded.

The placer gold is spatially related to porphyritic intrusive dikes and sills. Most hard rock occurrences discovered to date consist of quartz and calcite veins with various combinations of arsenopyrite, chalcopyrite, stibnite and other sulfide minerals. These associations are similar to intrusive-related gold mineralization elsewhere in Alaska, Yukon and Nevada and could lead to the discovery of deposits similar to Donlin Creek, Fort Knox, Pogo and Brewery Creek deposits.

Limited work was conducted on this property in 2009 and 2010 but data was purchased from prior operator Kennecott, and was analyzed in depth using Geographic Information System mineral potential modeling techniques. Numerous new drill targets emerged from this work.

Millrock has engaged several different third party companies in negotiations for an agreement to explore the project, however, no agreements have yet been reached.

An extensive soil geochemical program was carried out in the third quarter of 2011. Results have been received and will be evaluated in due course.

Arizona Properties

Millrock owns and operates four Arizona projects. All are in the well-established porphyry copper trends of southeastern Arizona. Three of the projects are under option to major mining companies. Exploration is focused on the discovery of large production-scale copper deposits.

The following provides an overview of each property, results of operations for the year, as well as any related corporate developments:

GALIURO PROPERTY, San Manuel-Copper Creek Copper Trend

The Galiuro project is located 80 km southeast of the Resolution deposit in southeast Arizona. Resolution is currently being explored by the Resolution Copper Mining, a joint effort of Rio Tinto and BHPBilliton. The resolution deposit is reported to contain an Inferred Resource of 1.624 billion tonnes at a grade of 1.47% Cu and 0.037% Mo (Resolution Copper Mining website). The Galiuro claim block is situated on the San Manuel-Copper Creek porphyry copper trend, with the Copper Creek property just west of the claim block and a very large, intense alteration zone in the central portion of the claims block. The target at Galiuro is a large, high-grade porphyry copper-gold-molybdenum deposit that can be mined by open pit or block caving mining methods similar to Resolution.

In spring 2009 an agreement with Vale was announced whereby Vale may expend up to US\$3.5 million and make cash payments totaling US\$850,000 prior to December 31, 2012 to earn a 60% participating interest in the property. Vale has the option to acquire an additional 10% participating interest if it completes a favourable feasibility study. Millrock is the exploration manager.

Millrock has discovered porphyry style alteration and mineralization at the Galiuro prospect by using a ZTEM airborne survey, geological mapping and drilling. Given the success of this drilling program, Millrock and Vale significantly expanded their land position to the south and west. Additionally, a very large block of claims was staked to the east to cover the Fourmile target. This circular magnetic feature is ringed by a strong ZTEM conductive zone. Intense argillic alteration is known from rock exposures and prior drilling on the west side of the structure.

During the third quarter Vale agreed to drill one hole and possibly two at the Fourmile target. Much of the third quarter effort involved securing permits and drilling contractors. Drilling is now underway.

SAN JOSE & DRY MOUNTAIN PROPERTIES, Safford & Morenci Copper Trends

The San Jose and Dry Mountain properties are located on the highly prolific Safford and Morenci porphyry copper trends in southeastern Arizona. The series of deposits account for some 10 billion tons of past copper ore production.

At San Jose, drilling by Noranda in the early 1990s identified a porphyry cell. Geochemical surveys indicate potential for a larger deposit nearby. At Dry Mountain, a strong copper-molybdenum geochemical anomaly 10 km in diameter has been outlined. The target for these properties is large-scale porphyry copper deposits. During 2009, Millrock searched for a major partner to fund the extensive exploration required for these highly prospective claims. In March 2010, Millrock announced finalization of an option to joint venture agreement with Inmet for the exploration of the San Jose and Dry Mountain properties. The agreement gives Inmet the opportunity to earn a 70% interest in the two claim blocks by spending US\$4.0 million in

MILLROCK RESOURCES INC.
Management Discussion and Analysis
For the Quarter Ended September 30, 2011

exploration expenditures and making option payments of US\$300,000. The 2010 exploration expenditure commitment is US\$500,000 and the initial payment US\$50,000.

In 2010 a ZTEM survey was carried out. Several circular to semi-circular conductive zones surrounding magnetic anomalies with geochemical support were identified. The property positions were expanded significantly. A drilling program consisting of four holes was completed. Additional ZTEM surveys on the northern part of the San Jose claim block were completed and further targets identified. Inmet approved a budget for three additional holes. Drilling commenced in the third quarter of 2011 and is currently underway.

RAINVILLE PROPERTY, Safford & Morenci Copper Trends

On April 1, Millrock announced that it had entered into an exploration agreement with option to purchase concerning a large block of Arizona State Exploration permits referred to as the Rainville project. The permits cover land situated southeast of the town of Safford, Arizona and south of the Morenci mine in southeastern Arizona.

Under the terms of the agreement, Millrock can maintain an option to purchase from the owner a 100% interest in the permits by paying a total of US\$400,000 and issuing 500,000 Millrock common shares over a period of six years. The initial payment consists of US\$70,000 and 250,000 common shares. If all option payments are made the property may be purchased for the sum of \$1.0 million. A further payment of US\$1.0 million will be made to the owner in the event that Millrock prepares a report that describes an indicated mineral resource (as that term is used in NI 43-101) of 1,500,000 tons or more of contained copper on the property.

The Rainville project is positioned along the trend of the prolific Safford deposits which are being actively developed by Freeport McMoran Copper & Gold. Regional geochemical surveys, geophysical surveys and geological modeling have led Millrock to believe there is potential for discovery of valuable porphyry copper deposits hidden beneath overburden on the exploration permits.

Millrock is seeking partners to earn in to the project.

Material Financial Information

Three Months Ended September 30, 2011 Compared to Three Months Ended September 30, 2010

The Company had revenue of \$446,700 for the quarter ended September 30, 2011 and a net loss before other comprehensive loss of \$610,409, as compared to revenue of \$178,703 and net loss before other comprehensive loss of \$918,105 for the quarter ended September 30, 2010. The revenue increase resulted from management fees received from additional spending by earn in partners. The decrease in operational loss resulted primarily from a Foreign Exchange ("FX") gain of \$12,078 for the quarter ended September 30, 2011 compared to a loss of \$222,694 for the quarter ended September 30, 2010. Outside of FX variations, increased costs came from an increase in consulting costs, an increase in salaries and benefits, an increase in accounting and audit, increase in amortization and depreciation, and increase in general exploration, which were slightly offset by an increase in revenue.

MILLROCK RESOURCES INC.
Management Discussion and Analysis
For the Quarter Ended September 30, 2011

General and administrative (“G&A”) expenses for the quarter ended September 30, 2011 totalled \$1,059,046 as compared to \$879,546 for the corresponding quarter ended September 30, 2010. The five largest expense items are consulting fees of \$375,219, stock based compensation of \$202,347, salaries and benefits of \$138,488, accounting and audit costs of \$69,171, and office expense of \$53,995. These items comprise approximately 79% of the total expenses of the Company.

Consulting expenses account for approximately 35% of the total general and administrative expenses for the quarter ended September 30, 2011, (September 30, 2010: 11% or 15% of G&A net of FX), which include the consulting service rendered from the CEO, CFO, Corporate Secretary, VP of Exploration, VP of Operations and VP of Sustainable Development. These costs increased in total cost and percentage of cost in comparison to the corresponding quarter in the previous year due to increases in payments to aforementioned personnel.

Stock-based compensation costs amounted to approximately 19% of the total general and administrative expenses for the quarter ended September 30, 2011 (September 30, 2010: 42% or 32% of G&A net of FX). The decrease in stock-based compensation costs was caused by a decline in issuance of stock options to directors and consultants.

Salaries and benefit costs amount to approximately 13%, of the total general and administrative expenses for the quarter ended September 30, 2011, (September 30, 2010: 8% or 11% of G&A net of FX). The increases in costs are related to an increase in the number of staff in the Company’s U.S. office, as the Company satisfies its obligations on the various joint venture agreements.

Accounting and audit fees account for approximately 7% of the Company’s administrative expenses for the quarter ended September 30, 2011, (September 30, 2010: 3% or 4% of G&A net of FX). The increase in total fees was due to IFRS transition costs.

Office expenses amount to approximately 5% of the general and administrative expenses for the quarter ended September 30, 2011, (September 30, 2010: 3% or 5% of G&A net of FX). The increase in costs was related to the Company expanding staff and office space to accommodate servicing the increase in overall activity and revenues.

Nine Months Ended September 30, 2011 Compared to the Nine Months Ended September 30, 2010

The Company had revenue of \$1,020,435 for the nine months ended September 30, 2011 compared to revenue of \$250,538 for the nine months ended September 30, 2010, and a net loss before other comprehensive loss of \$1,764,491, as compared to its net loss before other comprehensive loss of \$1,528,079 for the nine months ended September 30, 2010. The revenue resulted from management fees received from earn in partners. The increase in operational loss resulted from an increase in consulting expenses, stock-based compensation costs, an increase in salaries and benefits costs, an increase in accounting and audit fees; and an increase in general exploration expenses, which were slightly offset by the increase in revenue.

MILLROCK RESOURCES INC.
Management Discussion and Analysis
For the Quarter Ended September 30, 2011

General & administrative expenses overall for the nine month period ended September 30, 2011 totalled \$2,775,318 as compared to \$1,554,532 for the corresponding quarter ended September 30, 2010. The five largest expense items are stock-based compensation costs of \$634,176, consulting fees of \$543,205, salaries and benefits cost of \$364,369, accounting and audit expenses of \$250,261, and offices expenses of \$193,660. These items comprise approximately 72% of the total expenses of the Company.

Stock-based compensation costs amounted to approximately 23% of the total general and administrative expenses for the nine months ended September 30, 2011 compared to 20% for the nine months ended September 30, 2010. The increase in stock-based compensation expenses was due to an increased issuance of stock options to directors and consultants as the Company expanded operations.

Consulting fees amount to approximately 20% of the general and administrative expenses for the nine months ended September 30, 2011, compared to 14% for the nine months ended September 30, 2010, which include the consulting service rendered from the CEO, CFO, Corporate Secretary, VP of Exploration, VP of Operations and VP of Sustainable Development. These costs increased in total cost and percentage of cost in comparison to the corresponding nine months in the previous year due to increases in payments to aforementioned personnel.

Salaries and benefit costs amount to approximately 13%, of the total general and administrative expenses for the nine months ended September 30, 2011, compared to 20% for the nine months ended September 30, 2010. While smaller a percentage, there was a \$321,741 increase in costs related to an increase in the number of staff in the Company's U.S. office, as the Company satisfies its obligations on the increased joint venture agreements.

Accounting and audit fees amount to approximately 9% of the Company's administrative expenses for the nine months ended September 30, 2011, compared to 5% for the nine months ended September 30, 2010. The increase in total fees was due to IFRS transition costs.

Office expenses amount to approximately 7%, of the total general and administrative expenses for the nine months ended September 30, 2011, compared to 5% for the nine months ended September 30, 2010. The increase in expenses was related to the Company expanding staff and office space to accommodate servicing the increase in overall activity.

Additional Disclosure for Venture Issuers Without Significant Revenue

As the Company has had little revenue since inception, the following is a breakdown of the material costs incurred:

MILLROCK RESOURCES INC.
Management Discussion and Analysis
For the Quarter Ended September 30, 2011

	Nine months	Nine months
	ended	ended
	September 30, 2011	September 30, 2010
Stock-Based Compensation	\$634,176	\$321,435
Consulting	\$543,205	\$214,617
Salaries and Benefits	\$364,369	\$125,968
Accounting and Audit	\$250,261	\$82,366
Office Expense	\$193,660	\$70,346
General Exploration	\$131,618	\$569
Investor Relations	\$118,098	\$149,055

Summary of Quarterly Results

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

Summary of Quarterly Results

	Sep. 30	Jun. 30	Mar. 31	Dec. 31	Sep. 30	Jun. 30	Mar. 31	Dec. 31
	2011	2011	2011	2010	2010	2010	2010	2009
	Q3 - Note 1	Q2 - Note 1	Q1 - Note 1	Q4 - Note 1	Q3 - Note 1	Q2 - Note 1	Q1 - Note 1	Q4 - Note 2
Management fees	\$ 446,700	\$ 414,687	\$ 159,048	\$ 446,324	\$ 178,703	\$ 17,980	\$ 53,855	\$ -
Mineral expenditures	267,474	437,073	(751,916)	(764,571)	447,350	481,935	205,335	(337,437)
G&A expense	1,059,046	887,816	828,456	1,768,450	879,545	340,077	334,910	610,710
Stock comp. expense	202,347	324,247	107,582	812,550	280,973	14,872	25,590	154,151
Adjusted G&A	293,130	(157,305)	720,874	955,900	598,572	325,204	309,319	456,559
Mineral properties write-off	-	-	(226,106)	(648,869)	-	-	-	741,400
Net Income/(loss)	(866,442)	(821,620)	(733,613)	(1,634,090)	(888,106)	(326,412)	(280,562)	(1,353,701)
Loss per share	\$ (0.01)	\$ (0.02)	\$ (0.01)	\$ (0.06)	\$ (0.01)	\$ (0.01)	\$ (0.03)	\$ (0.05)

Note 1 - Prepared under International Financial Reporting Standards (IFRS)

Note 2 - Prepared under Canadian GAAP

Liquidity and Capital Resources

As of September 30, 2011, the Company has accumulated a deficit of \$14,135,259 and has working capital of \$5,794,344.

The Company realizes income from option agreement payments, and from management fees it collects as the operator of earn in projects (option payments are recorded against the related property cost and not considered revenue until the property is reduced to zero but management fees are recorded as revenue). These funds substantially cover the Company's overhead costs. The Company relies on equity financing to fund generative exploration programs on its open ground and on some of its properties. There are 6,320,000 options and 11,013,750 warrants outstanding, which, if all exercised as of this date would generate \$8,451,413 total to the Company. Funding for most of the property exploration carried out by Millrock comes from partner companies earning in to Millrock's projects. Presently Millrock does not have to contribute to these exploration expenditures as the other companies are sole-funding during the earn-in stage. Although the Company has been successful in the past in obtaining financing

MILLROCK RESOURCES INC.
Management Discussion and Analysis
For the Quarter Ended September 30, 2011

through the sale of equity securities, and by making earn-in agreements with partner companies there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financings will be favourable. The Company presently has sufficient revenue and cash resources to cover its ongoing expenses for the remainder of 2011 and for 2012.

Working Capital

As of September 30, 2011 the Company had working capital of \$5,794,344 based on current assets of \$8,678,435 and current liabilities of \$2,880,091.

Related Party Transactions

The Company incurred charges with directors and officers, and companies with directors and officers in common. These charges were in the normal course of operations and were measured by the exchange amount which is the amount agreed upon by the transacting parties.

A director of the Company is a shareholder and director of Mines Trust Company, which is a related party to the Estelle project underlying mineral property agreement.

Specific insider transactions for the nine months ended September 30, 2011 are as follows:

- Paid or accrued \$244,719 (2010 - \$125,287) as a management fee to the CEO of the Company.
- Paid or accrued \$230,106 (2010 - \$114,058) as a geological consulting fee to the Vice President of Exploration.
- Paid or accrued \$208,095 (2010 - \$97,949) as a geological consulting fee to the President.
- Paid or accrued \$19,900 (2010 - \$18,275) as an administration consulting fee to the Corporate Secretary.
- Paid or accrued \$9,750 (2010 - \$27,750) as an accounting consulting fee to the former CFO and his accounting firm.
- Paid or accrued \$24,630(2010 - \$0) as a general consulting fee to the CFO.
- Paid or accrued \$7,500 (2010 - \$7,000) as Director's fee to the Chairman of the Audit Committee.
- Paid or accrued \$5,915 (2010 - \$0) as Director's fee to the CEO.
- Paid or accrued \$3,909 (2010 - \$0) as Director's fee to a Director.
- Paid or accrued \$2,500 (2010 - \$0) as Director's fee to a Director.
- Paid or accrued \$2,500 (2010 - \$0) as Director's fee to a Director.
- Paid or accrued \$2,500 (2010 - \$0) as Director's fee to a Director.
- Paid or accrued \$58,367 expense for 100,000 options granted (2010 - \$0) as incentive compensation to the CFO.
- Paid or accrued \$47,817 expense for 100,000 options granted (2010 - \$0) as incentive to a Director.

MILLROCK RESOURCES INC.
Management Discussion and Analysis
For the Quarter Ended September 30, 2011

- Paid or accrued \$47,817 expense for 100,000 options granted (2010 - \$0) as incentive to a Director.
- Paid or accrued \$47,817 expense for 100,000 options granted (2010 - \$0) as incentive to a Director.

Critical Accounting Estimates

The most significant accounting estimates for the Company relate to the carrying value of its mineral property assets. All deferred mineral property expenditures are reviewed on a property-by-property basis to consider whether there are any conditions that may indicate impairment. When the carrying value of a property exceeds its net recoverable amount that may be estimated by quantifiable evidence of an economic geological resource or reserve, joint venture expenditure commitments or the Company's assessment of its ability to sell the property for an amount exceeding the deferred costs, a provision is made for the impairment in value.

Management's estimates of mineral prices, recoverable proven and probable reserves and operating, capital and reclamation costs are subject to certain risks and uncertainties which may affect the recoverability of mineral property costs. Although management has made its best estimate of these factors, it is possible that changes could occur in the near term that could adversely affect management's estimate of the net cash flow to be generated from its properties.

Another significant accounting estimate relates to accounting for stock-based compensation. The Company uses the Black-Scholes Option Pricing Model. Option pricing models require the input of highly subjective assumptions including expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate and, therefore, the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options granted/vested during the year.

Changes in Accounting Policies

Business Combinations, Financial Statements and Non-Controlling Interests

In January 2009, the CICA issued CICA Handbook Section 1582, Business Combinations, Section 1601, consolidated Financial Statements, and Section 1602, Non-controlling Interests, which superseded Section 1581, Business Combinations, and Section 1600, Consolidated Financial Statements. CICA Handbook Section 1582, Business Combinations, replaces the former Section 1581, and establishes standards for the accounting for a business combination. It provides the Canadian equivalent to IFRS 3, Business Combinations (January 2008). This Section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. CICA Handbook Section 1601, Consolidated Financial Statements, together with the new Section 1602, Non-Controlling Interests, replaces the former Section 1600, Consolidated Financial Statements. Section 1601 establishes standards for the preparation of consolidated financial statements. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of IFRS 27, Consolidated and Separate Financial Statements, (January 2008). Both sections apply to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Earlier adoption is permitted as of the beginning of a fiscal year. All three sections must be adopted concurrently. The Corporation

evaluated the impact of the adoption of these sections to determine if early adoption is appropriate and determined that no material impact is expected.

Accounting Changes

Impact of Adopting IFRS on the Company's Business

As part of its analysis of potential changes to significant accounting policies, the Company has assessed what changes are required to its accounting systems and business processes. The Company believes that the changes identified are minimal and the systems and processes can accommodate the necessary changes.

The Company's staff involved in the preparation of financial statements was trained on the relevant aspects of IFRS and the changes to accounting policies. Employees of the Company affected by a change to business processes as a result of the conversion to IFRS trained as necessary.

First-time Adoption of IFRS

The Company prepares its financial statements in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). In 2010, the CICA Handbook was revised to incorporate IFRS, and require publicly accountable enterprises to apply such standards effective for years beginning on or after January 1, 2011. Accordingly the Company has commenced reporting on this basis in these consolidated interim financial statements. In the financial statements, the term "Canadian GAAP" refers to Canadian GAAP before the adoption of IFRS. These interim consolidated financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial statements, including IAS 34 (including specifically IAS 34, paragraph 20, sections A,B,C,D) and IFRS 1 First time Adoption of International Financial Reporting Standards ("IFRS 1"). Subject to certain IFRS 1 transition elections disclosed in note 19, the Company has consistently applied the same accounting policies in its opening IFRS statement of financial position as at January 1, 2010 and throughout all periods presented, as if these policies had always been in effect. Note 18 discloses the impact of the transition to IFRS on the Company's reported statement of financial position and comprehensive income, including the nature and effect of significant changes in accounting policies from those used in the Company's consolidated financial statements for the year ended December 31, 2010.

The adoption of IFRS requires the application of IFRS 1 *First-time Adoption of International Financial Reporting Standards* ("IFRS 1"), which provides guidance for an entity's initial adoption of IFRS. IFRS 1 generally requires retrospective application of IFRS as effective at the end of its first annual IFRS reporting period. However, IFRS 1 also provides certain optional exemptions and mandatory exceptions to this retrospective treatment. The Company has identified the following optional exemptions that it will apply in its preparation of an opening IFRS statement of financial position as at January 1, 2011, the Company's "Transition Date":

- To apply IFRS 2 *Share-based Payments* only to equity instruments that were issued after November 7, 2002 and had not vested by the Transition Date.

- To apply IFRS 3 *Business Combinations* prospectively from the Transition Date, therefore not restating business combinations that took place prior to the Transition Date.
- To apply the transition provisions of IFRIC 14 *Determining whether an Arrangement Contains a Lease*, therefore determining if arrangements existing at the Transition Date contain a lease based on the circumstances existing at that date.
- To apply IAS 23 *Borrowing Costs* prospectively from the transition date. IAS 23 requires the capitalization of borrowing costs directly attributable to the acquisition, production or construction of certain assets. Prior to reporting interim financial statements in accordance with IFRS for the quarter ended September 30, 2011, the Company decided to apply other optional exemptions contained in IFRS 1. IFRS 1 does not permit changes to estimates that have been made previously. Accordingly, estimates used in the preparation of the Company's opening IFRS statement of financial position as at the Transition Date will be consistent with those made under current Canadian GAAP. If necessary, estimates will be adjusted to reflect any difference in accounting policy.

Impact of Adopting IFRS on the Company's Financial Statements

The adoption of IFRS will result in some changes to the Company's accounting policies that are applied in the recognition, measurement and disclosure of balances and transactions in its financial statements. The following provides a summary of the Company's evaluation of changes to accounting policies in key areas based on the current standards and guidance within IFRS. This is not intended to be a complete list of areas where the adoption of IFRS will require a change in accounting policies, but to highlight the areas the Company has identified as having the most potential for a significant change. The International Accounting Standards Board has a number of ongoing projects, the outcome of which may have an effect on the changes required to the Company's accounting policies on adoption of IFRS. At the present time however, the Company is not aware of any significant expected changes to its adoption of IFRS that affect the summary provided below.

1) Exploration and Evaluation Expenditures

IFRS 6 currently allows an entity to retain its existing accounting policies related to the exploration for and evaluation of mineral properties, subject to some restrictions. The Company retained its current policy of capitalizing exploration and evaluation expenditures as incurred. Therefore the adoption of IFRS will not result in any significant change to the related line items within the consolidated financial statements.

2) Impairment of (Non-financial) Assets

IFRS requires a write-down of assets if the higher of the fair market value and the value in use of a group of assets is less than its carrying value. Value in use is determined using discounted estimated future cash flows. Current Canadian GAAP requires a write-down to estimated fair value only if the undiscounted estimated future cash flows of a group of assets are less than its carrying value. The Company's accounting policies related to impairment of assets have been changed to reflect these differences. The change, however, does not expect this change will have an immediate impact to the carrying value of its

assets. The Company will perform impairment assessments as at the Transition Date in accordance with IFRS.

3) *Foreign Currency*

IFRS requires that the functional currency of the Company and its subsidiaries be determined separately, and the factors considered to determine functional currency are somewhat different than current Canadian GAAP. The Company made no changes to its accounting policies related to foreign currency that resulted in a significant change to line items within the consolidated financial statements at the Transition Date.

4) *Share-based Payments*

In certain circumstances, IFRS requires a different measurement of stock-based compensation related to stock options than current Canadian GAAP. The Company did not make any changes to its accounting policies related to share-based payments that would result in a significant change to line items within the consolidated financial statements.

5) *Asset Retirement Obligations (Decommissioning Liabilities)*

IFRS requires the recognition of a decommissioning liability for legal or constructive obligations, while current Canadian GAAP only requires the recognition of such liabilities for legal obligations. A constructive obligation exists when an entity has created reasonable expectations that it will take certain actions. The Company's accounting policies related to decommissioning liabilities were changed to reflect these differences. The Company, however, had no change that will have an immediate impact to the carrying value of its assets.

6) *Property and Equipment*

IFRS contains different guidance related to the recognition and measurement of property and equipment than current Canadian GAAP. The Company did not have any changes to its accounting policies related to property and equipment as they would result in no significant change to line items within the consolidated financial statements.

7) *Income Taxes*

In certain circumstances, IFRS contains different requirements related to recognition and measurement of future (deferred) income taxes. The Company did not experience any changes to its accounting policies related to income taxes that resulted in a significant change to line items within its financial statements.

Financial Instruments and Other Instruments

i) **Fair Value of Financial Instruments**

MILLROCK RESOURCES INC.
Management Discussion and Analysis
For the Quarter Ended September 30, 2011

The table set out below summarizes the Company's financial instruments and shows the level within the fair value hierarchy in which they have been classified. The fair value of these financial instruments approximates their carrying value due to the short term nature of their settlement:

September 30, 2011

Financial Instrument	Category	Level 1 \$	Level 2 \$	Level 3 \$
Cash and Cash Equivalents	Held for Trading	Nil	3,769,550	Nil
Security Deposit and Restricted Cash	Held for Trading	Nil	3,525,742	Nil
Marketable Securities	Available for Sale	363,686	Nil	Nil
Amounts Receivable	Loands and receivables	Nil	921,821	Nil
Due from Related parties	Loands and receivables	Nil	10,232	Nil
Prepaid expenses	Loands and receivables	Nil	87,404	Nil
Amounts payable and Accrued liabilities	Other financial liabilities	Nil	515,427	Nil
Project cost advance received	Other financial liabilities	Nil	2,294,079	Nil
Due to related partiess	Other financial liabilities	Nil	22,175	Nil

ii) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash and cash equivalents and receivables are exposed to credit risk. The Company reduces its credit risk on cash and cash equivalent by placing these instruments with institutions of high credit worthiness. Deposits are insured up to \$100,000, and the amount that may be subject to credit risk for the quarter ended September 30, 2011 is \$7,095,292.

iii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining sufficient cash and cash equivalent balances to enable settlement of transactions on the due date. Accounts payable and accrued liabilities are current.

iv) Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company has cash and cash equivalents of \$250,270, restricted cash of \$2,236,198, security deposit of \$100,000, and accounts payable of \$361,505 denominated in US dollars. The Company does not have a formal policy to manage risk; however, management actively monitors movement in foreign currency and forecasts foreign currency payments. Foreign exchange risk is mitigated by the offset of assets against liabilities and the risk is not significant.

v) 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. Included in the loss for the period in consolidated financial statements is interest income on Canadian dollar cash and cash equivalents. As at November 11, 2011, the Company's cash and cash equivalents are not subject to or exposed to interest rate risk.

vi) Management of Capital

The Company manages its common shares, stock options and warrants as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares and, acquire or dispose of assets. In order to maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments with short term maturities, selected with regards to the expected timing of expenditures from continuing operations.

The Company expects its current capital resources will be sufficient to carry its exploration plans and operations through its current operating period.

Share Capital

i) Authorized

Unlimited common shares without par value.

ii) Issued and outstanding common shares for the quarter ended September 30, 2011 was 70,019,081

Legal Claims and Contingent Liabilities

At September 30, 2011, there were no material legal claims or contingent liabilities outstanding.

Off Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

MILLROCK RESOURCES INC.
Management Discussion and Analysis
For the Quarter Ended September 30, 2011

Subsequent Events

On October 17, 2011 Millrock announced the formation of a strategic alliance with Vale to explore for copper in Alaska.

On October 19, 2011 Millrock announced that vice president of operations Adrienne Ross had resigned and that concurrently Philip St. George and Sarah Whicker were promoted to the positions of Chief Exploration Officer and Chief Operating Officer respectively.

Disclosure of Outstanding Share Data

The following table summarizes the number of common shares, stock options and share purchase warrants as of September 30, 2011:

	Amount	Exercise Price	Expiry Date
Common shares outstanding as of September 30, 2011	70,019,081		
Warrants	4,309,000	\$ 0.50	June 9, 2012
	3,450,000	\$ 0.45	July 7, 2012
	375,000	\$ 0.50	July 7, 2012
	2,500,000	\$ 0.55	August 19, 2012
Agent Warrants	231,000	\$ 0.30	June 9, 2012
	148,750	\$ 0.55	August 19, 2012
Employee Stock Options	950,000	\$ 0.45	May 29, 2012
	75,000	\$ 0.45	August 7, 2012
	10,000	\$ 0.56	December 6, 2012
	50,000	\$ 0.36	April 1, 2013
	630,000	\$ 0.25	August 21, 2013
	625,000	\$ 0.18	May 8, 2014
	850,000	\$ 0.25	December 28, 2014
	200,000	\$ 0.40	February 9, 2015
	1,025,000	\$ 0.75	July 19, 2015
	350,000	\$ 0.40	January 4, 2015
	200,000	\$ 0.89	November 25, 2015
	70,000	\$ 0.85	December 17, 2015
	400,000	\$ 0.64	February 8, 2016
	390,000	\$ 0.60	May 2, 2016
Fully Diluted Shares Outstanding	86,857,831		

MILLROCK RESOURCES INC.
Management Discussion and Analysis
For the Quarter Ended September 30, 2011

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Chief Exploration Officer

Sarah Whicker, B.S., M.Sc.
Chief Operating Officer

Larry J. Cooper
Chief Financial Officer, Director

Janice Davies
Corporate Secretary

Charles C. Hawley, B.A., Ph.D.
Director

Darryl Cardey, CA
Director & Chairman, Audit Committee

Roland Butler, B.Sc., Geology
Director

Peter J. Chilibeck, LL.B.
*Director & Chairman, Corporate Governance
Committee*

David Volkert, B.Sc., Geology
Director & Chairman, Compensation Committee

LISTINGS

TSX Venture Exchange: **MRO**
OTC Markets Group (OTCQX): **MLRKF**

CAPITALIZATION

(as at November 11, 2011)

Shares Authorized: Unlimited
Shares Issued: 70,279,081

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