Mesa Exploration Corp.
Management’s Discussion & Analysis
For the three months ended June 30, 2013 and 2012
(Expressed in Canadian dollars, unless otherwise noted)

This Management’s Discussion and Analysis has been prepared by management as of August 29, 2013, and should be read in conjunction with the unaudited condensed consolidated interim financial statements for the three months ended June 30, 2013 and 2012 and the audited annual financial statements and related notes thereto of the Corporation for the years ended March 31, 2013 and 2012. All amounts are expressed in Canadian Dollars unless otherwise indicated. The condensed consolidated interim financial statements for the three months ended June 30, 2013 and 2012 and the consolidated financial statements for the year ended March 31, 2013 and 2012 have been prepared in accordance with International Financial Reporting Standards (“IFRS”), including comparative figures.

OVERVIEW

Mesa Exploration Corp., (“the Corporation”) is an exploration stage mining company engaged in the identification, acquisition and exploration of a portfolio of mineral properties located in the United States. The Corporation acquired its wholly-owned subsidiary, BZU Minerals Ltd. (“BZU”), on December 21, 2005, and changed its name from Fintry Enterprises Inc. to Mesa Uranium Corp. On March 30, 2011, the Corporation further changed its name to Mesa Exploration Corp. to reflect a shift in focus from uranium into a more diversified exploration and development company. The Corporation was incorporated in British Columbia and its shares are listed on the TSX Venture Exchange.

OUTLOOK

The Corporation intends to focus its exploration and development efforts in the United States for purposes of acquiring, exploring and developing high-grade uranium, potash, lithium, gold and silver projects.

As an exploration stage company, the future liquidity of the Corporation will be affected principally by the level of its development and exploration expenditures and by its ability to raise an adequate level of capital through the capital markets.

The Corporation will continue to evaluate its funding requirements on a going forward basis in an effort to meet its future development and growth initiatives.

MINERAL PROPERTIES

The Corporation is engaged in the exploration and development of mineral properties and owns mineral property interests in Utah, Arizona, and Nevada. During the three month period ending June 30, 2013, the Corporation’s main activities were related to consulting on the Bounty project. In comparison, for the period ending June 30, 2012, the Corporation was applying for prospecting permits and consulting environmental and technical professionals on the Bounty project. Management continues to monitor the effective use of funds in order to preserve working capital for future use in advancing the Corporation’s exploration projects until further capital is raised.

Lisbon Valley Project

The Lisbon Valley property is located in the Colorado Plateau region of southeastern Utah in San Juan County near the border of Colorado. Historically, in excess of 85 million pounds of uranium have reportedly been produced in this district from 1952 until the early 1990’s from an arcuate belt 16 miles long by ½ mile wide along the southwestern flank of the Lisbon Valley anticline. All of the major ore bodies did not outcrop and were discovered by exploration drilling. The Lisbon Valley district accounted for over 80% of the uranium mined in the state of Utah and had some of the highest uranium grades in the United States ranging from 0.2 to 0.4 percent uranium. During the year ended March 31, 2013, the Corporation dropped 267 hectares of unpatented United States federal
mining claims. The Corporation wholly owns the Lisbon Valley uranium project and controls approximately 2,583 hectares of mining claims and state mineral leases in the Lisbon Valley Mining District in Utah, USA as at June 30, 2013. The Corporation plans to monitor and continue to maintain the property interests for future development until market conditions improve for uranium.

**Moonshine Springs Project**

During February 2007, the Corporation acquired an additional uranium property. The property, known as the Moonshine Springs project, is owned 100% by the Corporation, and is located in Mohave County, Arizona. The Corporation has a 320 acre lease from the State of Arizona. The previous owner of the property conducted uranium exploration drilling in 1979. The Corporation possesses data on four widely spaced drill holes completed and the best intercept was six feet grading 0.4% U₃O₈ (8 pounds per ton). This high grade uranium mineralization is within a stream channel in the Chinle sandstone. The Moonshine Springs uranium deposit is located within two miles of the project and is hosted in the Chinle formation. In 2007, the Corporation commenced a planned drilling program which consisted of 10-12 holes for a total footage of 6,000 feet. A rotary drilling program commenced in February 2012. As of March 2012, the program was completed, with a total of six rotary drill holes. Further drilling has been deferred until further funding can be obtained.

**Potash Projects: White Cloud, Salt Wash, Whipsaw**

During September 2008, the Corporation filed applications for potash exploration permits with the Bureau of Land Management ("BLM") for the White Cloud potash project. The property contains potash from both solution mining and naturally-occurring potash brines. The White Cloud project is located in the Paradox Basin, a geologic province known to contain potash deposits and potash brine. The United States Geological Survey and Utah Geological Survey have documented these occurrences in various reports. The project is within an area categorized as a high “known mineral deposit area” for potash beds by the U.S. Bureau of Mines. The Corporation plans to obtain reports and radiometric logs from historic oil drilling on the project to assess grade, thickness and depth of the potash beds and grade and flow rates for the potash brines. Sources for the information have been identified and the Corporation is currently acquiring and evaluating the information to guide future exploration work.

During May 2009, the White Cloud potash project was expanded to 35,510 acres. The property is located 40 miles north of the Lisbon Valley uranium project in southeastern Utah. Access and infrastructure are considered good as the project is close to rail, interstate highway and power lines. Applications were also filed for two new projects, Salt Wash at 21,184 acres and Whipsaw with 17,968 acres. A total of 74,662 acres (116 square miles) of the Corporation’s applications have passed BLM Suitability Reviews.

On May 4, 2011 the Company filed a technical report under National Instrument 43-101 for the wholly owned White Cloud, Salt Wash and Whipsaw potash projects in Utah. The report is dated April 30, 2011 and is titled "Technical Report, Geology and Mineral Resources, Utah Potash Project - White Cloud, Salt Wash and Whipsaw Areas, Grand County, Utah". This technical report was amended April 25, 2013 and is titled Utah Potash and Lithium Project. The technical report was prepared by Dana Durgin, AIPG Certified Professional Geologist and a qualified person under National Instrument 43-101. The report also states that “the geology and controls of mineralization in the immediate area of the property are reasonably well known as a result of surface mapping and extensive oil and gas drilling. The presence of the adjacent Cane Creek mine which has been producing potash for 45 years, using the same process envisioned for mining potash at the Utah Potash Project, indicates that solution mining of potash should be feasible”. The Cane Creek mine produces 60,000 tons of potash and 210,000 tons of salt annually.

During the year ended March 31, 2013, the White Cloud potash project was decreased to 22,096 acres. The core area of exploration was maintained.

On completion of environmental assessments by the government, drilling is planned for the White Cloud, Salt Wash, and Whipsaw potash projects. The timing for completion of the environmental assessments is dependent on the government and cannot be determined at this time.
Green Energy Project

During November 2009, the Corporation acquired, by staking, the Green Energy lithium project in Utah. The project consists of mining claims covering an area of approximately 10 square miles (6,000 acres) and is 100% wholly-owned.

During March 2010, the Corporation added new claims extending over a potentially high grade brine target at the Green Energy lithium project in Utah. The new claims have been staked bringing the total acreage under the Corporation’s control to 7,840, or approximately 12 square miles. The new claims overlay a syncline, or structural trough, thought to contain higher concentrations of brine exceeding the previously acquired portion of the project located on an anticline, or structural dome. A petroleum engineering report from 1966 suggested the syncline would host a higher concentration of minerals through hydrodynamic drive (gravity and water pressure). Historic oil exploration wells focused on the anticline, known traps for oil and gas reservoirs, no holes were drilled into the syncline. The technical data was taken from historical estimates prior to the implementation of NI 43-101. A qualified person as defined under NI 43-101 has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves. The Corporation is not treating the historical estimates as current mineral resources or mineral reserves as defined in NI 43-101.

During March 2011, the Corporation staked new claims contiguous to the existing claim block at the Green Energy project, for a total position of 10,080 acres.

During the year ended March 31, 2013, the Corporation reduced the existing claims to 640 acres. The core area of exploration was maintained.

On completion of environmental assessments by the government, drilling is planned. The timing for completion of the environmental assessments is dependent on the government and cannot be determined at this time.

Bounty Potash Project

In January 2012, the Corporation announced the acquisition of the Bounty Potash project located in the Great Salt Lake Desert of western Utah. The project is 15 miles north of Intrepid Potash's Wendover operation, a potash mine which is chemically and physically analogous to the deposit at the Bounty project. The Wendover mine has been in production for 75 years utilizing a system of potash brine collection ditches and solar evaporation ponds, with potash and salt being processed in a simple flotation mill. The Wendover mine has annual production of 100,000 tons of potash and 200,000 tons of magnesium chloride, grossing $60 million per year.

The Bounty project consists of 90 square miles of potash prospecting permit applications from the Bureau of Land Management (BLM). There are also 14 square miles of Potash Leases from the State of Utah under review with the BLM. Sources for historic exploration information have been identified and the Corporation is currently acquiring and evaluating the information to guide future exploration work.

In February 2012, the Corporation filed a National Instrument 43-101 technical report (amended on April 23, 2013) which stated there is substantial potash resource present at the Bounty project and recommended an exploration program of at least 40 auger holes to be drilled to the base of the shallow aquifer. The technical report was prepared by Dana Durgin, AIPG Certified Professional Geologist and a qualified person under National Instrument 43-101.

During the period ended June 30, 2013, there was additional engineering and environmental consulting for the project. Further exploration and sampling work is planned in the fiscal year followed by a NI 43-101 compliant resource estimation and preliminary economic evaluation. These activities are pending the approval of permits by the Bureau of Land Management.

Oatman Gold Project

On October 31, 2012, the Corporation acquired a 100% interest in the Oatman gold project for US$45,000 from American Bonanza Gold Corp. (“American Bonanza”), a company which has certain directors in common. The Oatman gold project is located in western Arizona and consists of 67 unpatented mining claims totalling 1,360 acres.
American Bonanza retains a 3% NSR royalty, half of which can be purchased by the Corporation for US$2,000,000. Sampling, analytical, geophysical, and interpretation work planned with funding in the fiscal year.

Belmont Silver Project

On October 31, 2012, the Corporation acquired a 100% interest in the Belmont silver project for US$30,000 from American Bonanza. The Belmont silver project is located in central Nevada. The project has 24 unpatented mining claims totalling 480 acres. American Bonanza retains a 3% NSR royalty, half of which can be purchased by the Corporation for US$2,000,000. Sampling, analytical, geophysical, and interpretation work planned with funding in the fiscal year.

SELECTED INFORMATION

The Corporation’s consolidated financial statements and the financial data set out below have been prepared in accordance with IFRS. The selected consolidated financial information should be read in conjunction with the Corporation’s condensed consolidated interim financial statements for the three months ended June 30, 2013.

<table>
<thead>
<tr>
<th>Three months ended June 30,</th>
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<td>2013</td>
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<tr>
<td>Net loss</td>
<td>(85,347)</td>
<td>(110,991)</td>
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<tr>
<td>Net loss per share</td>
<td>(0.01)</td>
<td>(0.01)</td>
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<tr>
<td>Total cash and cash equivalents</td>
<td>31,057</td>
<td>579,495</td>
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<tr>
<td>Working capital</td>
<td>(29,682)</td>
<td>721,039</td>
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<tr>
<td>Total liabilities</td>
<td>152,103</td>
<td>37,083</td>
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<td></td>
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<tr>
<td>Total assets</td>
<td>1,863,832</td>
<td>2,201,287</td>
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<td></td>
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<tr>
<td>Shareholders’ equity</td>
<td>1,711,729</td>
<td>2,164,204</td>
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</tbody>
</table>

SUMMARY OF QUARTERLY RESULTS

Selected consolidated financial information for each of the most recently completely quarters of fiscal 2013, 2012 and 2011 are as follows:

<table>
<thead>
<tr>
<th>2013</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$31,057</td>
<td>$72,296</td>
</tr>
<tr>
<td>Working capital</td>
<td>$(29,682)</td>
<td>$100,537</td>
</tr>
<tr>
<td>Total assets</td>
<td>$1,863,832</td>
<td>$1,849,134</td>
</tr>
<tr>
<td>Shareholder’s equity</td>
<td>$1,711,729</td>
<td>$1,761,234</td>
</tr>
<tr>
<td>Net profit (loss)</td>
<td>$(85,347)</td>
<td>$(127,598)</td>
</tr>
<tr>
<td>Net profit (loss) per share</td>
<td>$(0.01)</td>
<td>$(0.01)</td>
</tr>
</tbody>
</table>

RESULTS OF OPERATIONS

The operating results of exploration companies can fluctuate significantly from period to period. Being in the exploration stage, the Corporation has no revenue from operations.
For the three months ended June 30, 2013

For the three months ended June 30, 2013, the Corporation had a net loss of $85,347 or $0.01 per share compared to a net loss of $110,991 or $0.01 per share with the corresponding period in 2012.

Management and geological consulting fees increased to $64,914 for the three months ended June 30, 2013 (2012 - $49,720) and general and administrative expenses decreased to $2,697 (2012 - $10,988) due to an increase in management fees in the period and a reduced allocation of general and administrative expenses.

Exploration expenses were $7,400 for the three months ended June 30, 2013 (2012 - $7,473). Exploration expenses in the period include all costs associated with maintaining the Corporations’ exploration offices in Reno, Nevada.

Public company expenses decreased to $6,089 for the three months ended June 30, 2013 (2012 - $31,724) due to a decrease in investor relations expenses related to marketing during the period.

Professional fees decreased to $4,021 for the three months ended June 30, 2013 (2012 - $13,403) which was primarily due to the timing of audit expenses.

As a result of the decrease in fair value of the PPI shares for the three months ended June 30, 2013, the Corporation reported $22,500 (2012 - $35,000) in other comprehensive loss.

LIQUIDITY AND CAPITAL RESOURCES

As at June 30, 2013, the Corporation had a working capital deficiency of $29,682 compared to the working capital of $100,537 as at March 31, 2013. The decrease in working capital was the result of the following:

Use of funds for operating activities for the three months ending June 30, 2013 totalled $20,526 (2012– $103,447). The difference was related to a decrease in marketing expenses and the timing of the audit expenses in the period ended June 30, 2013 compared to the same period ended June 30, 2012.

Use of funding for exploration and evaluation asset expenditures for the three months ended June 30, 2013 totalled $21,600 (2012 – $27,892). The decrease was attributable to reduced exploration expenses due to cash constraints.

The Corporation will require additional financing to carry out its near-term operating plans which casts significant doubt about the Corporation’s ability to continue as a going concern. To meet current operating and capital requirements, the Corporation will need to source funding to increase its working capital. Operating costs for the remaining year ending March 31, 2014 include estimated management and geological consulting fees of $198,750, public company expenses of $115,000, professional fees of $59,000, and general and administration expenses of $11,250, and exploration expenses of $44,000. Capital requirements for the year ending March 31, 2014 include $48,000 for estimated exploration costs related to the Bounty potash project, $9,000 for the Oatman gold project and $6,000 for the Belmont silver project and $21,000 for general exploration costs.

In order to perform additional exploration costs during the year, the Corporation would need to consider the capital required relative to the funds available, including expected cash flows from operations, to determine if the Corporation should proceed or if further funding is required. The ability to source additional funding through financings is affected by market conditions and is not assured. Circumstances could arise whereby, because of unfavourable financing conditions or expenditures that are higher than budgeted, the Corporation could face a cash shortage.

Financing

For the three months ending June, 2013 no additional financing was issued (2012 - $nil) as the Corporation has not yet spent all the funds received from prior financings. However, due to the deficiency in working capital for expected expenditures, financing was actively sought. The funds received from previous financings were the following:
On March 21, 2012, the Corporation closed a non-brokered private placement of 360,000 units at a price of $0.50 per unit for gross proceeds of $180,000. Each unit consisted of one common share and one non-transferable common share purchase warrant. Each whole warrant entitled the holder thereof to purchase one additional common share at a price of $0.75 per warrant share. The warrants will expire 24 months from the date of issue. The securities issued under the Offering are subject to a four month hold period expired July 21, 2012. No value was allocated to the warrants included in these units as the warrants had no intrinsic value at the time the units were issued. The Corporation recorded $9,172 in finders’ fees and granted 9,800 non-transferable common share purchase warrants as finders’ warrants. The Corporation recorded $2,431 in non-cash share issue costs related to the 9,800 warrants. These warrants have the same term and exercise price as the private placement warrants. The financing raised on March 21, 2012 of $168,397, net of cash share issue costs was planned to be used in connection with advancing the Corporation’s exploration projects and covering administration expenses.

The Corporation raised and spent the following funds during the period from April 1, 2013 to June 30, 2013 as summarized below:

<table>
<thead>
<tr>
<th>Amount (in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash</strong></td>
</tr>
<tr>
<td>Cash available April 1, 2013</td>
</tr>
<tr>
<td>Financing, net of share issue costs</td>
</tr>
<tr>
<td><strong>Total funds raised and available</strong></td>
</tr>
<tr>
<td><strong>Mineral Properties Expenditures</strong></td>
</tr>
<tr>
<td>Exploration and evaluation assets</td>
</tr>
<tr>
<td>Exploration expenses</td>
</tr>
<tr>
<td><strong>Funds Remaining from Financing</strong></td>
</tr>
<tr>
<td>Corporate expenses</td>
</tr>
<tr>
<td>Working capital changes and foreign exchange</td>
</tr>
<tr>
<td><strong>Funds available, June 30, 2013</strong></td>
</tr>
</tbody>
</table>

For the three months ended June 30, 2013, Exploration and evaluation asset expenditures were $22,000 and expected to be $7,000. The variance of $15,000 was primarily due to the continued consulting required for the Bounty project. Exploration expenses were $7,000 and expected to be $7,000. There was no significant variance and expenditures were as expected. Corporate expenses were $78,000 and expected to be $76,000 for the period. The variance of $2,000 was due to additional legal fees.

Funds available as of June 30, 2013 will be primarily utilized for exploration and corporation expenses. Any additional funds will be used to further develop the exploration projects. To achieve its current business objectives and milestones the Corporation believes it will require additional financing. The Corporation is actively seeking to raise funds through private placements. Subsequent to the three months ending June 30, 2013, the Corporation closed a non-brokered private placement of 1,375,000 units at a price of $0.08 per unit for gross proceeds of $110,000. See the Subsequent Events section of the MD&A for further detail.
RELATED PARTY TRANSACTIONS AND BALANCES

As of June 30, 2013, accounts payable and accrued liabilities include amounts owing to an officer of the Corporation of $nil (2012 - $1,526).

Related party transactions are recorded at the amount paid or received as established by contract or as agreed upon by the Corporation and the related party.

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation has no off-balance sheet arrangements.

COMMITMENTS

The Corporation is committed to a lease for its office located in Reno, Nevada in the amount of US$2,196 per month expiring in October 2014.

CRITICAL ACCOUNTING ESTIMATES AND POLICIES

Critical accounting estimates

Critical accounting estimates used in the preparation of the financial statements include the Corporation’s estimated net recoverable value of these mineral properties. The business of mineral exploration involves a high degree of risk since very few properties that are explored and developed ultimately achieve commercial production. At present, none of the Corporation’s properties have a known body of commercial ore.

The Corporation’s determination of impairment and resulting estimated net recoverable values for its mineral projects are based on estimated underlying mineral resources associated with the properties and estimated future costs required for ultimate realization through mining operations or by sale of the properties. The Corporation is in an industry that is exposed to a number of risks and uncertainties, including exploration, development, commodity, operating, ownership, political, funding, currency and environmental risk. While factoring these risks the Corporation has relied on very preliminary resource estimates on its properties, however, these estimates include assumptions that are potentially subject to significant changes that are not yet determinable. Accordingly, there is always the potential for a material change to the presentation in the financial statements relating to the carrying value of the Corporation’s mineral properties.

Other significant areas requiring the use of management estimates and assumptions relate to the valuation of amounts receivable, reclamation, estimating accrued liabilities, deferred income tax assets and liabilities and assumptions used in valuing options and warrants in stock-based compensation calculations. Actual results could differ from those estimates. Further detail on these risks is discussed in Note 3 of the consolidated annual financial statements for the year ending March 31, 2013.

The following are areas where significant estimations or where measurements are uncertain are as follows:

i) Exploration and evaluation asset costs
The measurement, depletion, and impairment of mineral properties are based on various judgments and estimates. These include the technical and commercial feasibility of these properties, which incorporates various assumptions for mineral reserves, future mineral prices and operating and capital expenditures for the properties.

ii) Stock-based compensation
The Corporation uses the Black-Scholes option pricing model to determine the fair value of stock options and share purchase warrants granted. This model requires management to estimate the volatility of the Corporation’s future share price, expected lives of stock options and future dividend yields. Consequently, there is significant measurement uncertainty in the stock-based compensation expense reported.
Critical accounting policies

A summary of significant accounting policies is presented in Note 3 to the annual consolidated financial statements for the year ended March 31, 2013. Preparing financial statements in accordance with IFRS requires management to make certain judgements and estimates. Changes to these judgements and estimates could have a material effect of the Corporation’s consolidated financial statements and financial position at June 30, 2013.

RISK FACTORS

The primary risk factors affecting the Corporation are set forth below. For additional discussion of risk factors, please refer to the Corporation’s Management and Discussion Analysis for the year ending March 31, 2013 and 2012.

General

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

Mineral Prices

The mining industry in general is intensely competitive and there is no assurance that, even if commercial quantities of mineral resources are discovered, a profitable market will exist for the sale of same. Factors beyond the control of the Corporation may affect the marketability of any mineral occurrences discovered. The price of minerals is affected by numerous factors beyond the control of the Corporation, including international economic and political trends, expectations of inflation, currency exchange fluctuations (specifically, the United States dollar relative to the Canadian dollar and other currencies), interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods.

Currency Exposure

Currency fluctuations may affect the costs the Corporation incurs at its operations and may affect the Corporation’s operating results and cash flows. The principal source of funds for the Corporation has traditionally been through the sale of its common shares, which are sold in Canadian dollars, while a significant portion of the Corporation’s expenditures are incurred in United States dollars. Fluctuations in the exchange rate of the Canadian dollar to the United States dollar could have a material effect on the Corporation’s results of operations, may impact the development of its mineral projects, and the availability of funds for further mineral exploration.

Credit Risk

Credit risk is the risk of potential loss to the Corporation if the counterparty to a financial instrument fails to meet its contractual obligations.

The Corporation is exposed to credit risk with respect to its cash and cash equivalents; however, this is minimized as cash and cash equivalents are placed with major Canadian financial institutions with strong investment-grade ratings as determined by a primary ratings agency.
Operating History

The Corporation and its predecessor companies have no history of earnings. The Corporation has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Corporation is through the sale of its equity shares or by way of debt facilities. While the Corporation may generate additional working capital through the operation, development, sale or possible syndication of its properties, there is no assurance that any such funds will be generated.

Competition

The resource industry is intensely competitive in all of its phases, and the Corporation competes with many companies possessing greater financial resources and technical facilities than it. Competition could adversely affect the Corporation’s ability to acquire suitable producing properties or prospects for exploration in the future.

Joint Venture Interests

The Corporation may enter into joint ventures with one or more mining companies in respect of its mineral properties. The Corporation may require additional funding to meet obligations under any joint venture agreement, and there is no guarantee such funding will be available. The inability of the Corporation to meet its funding commitments under any joint venture agreement could result in the dilution of the Corporation’s interest in the property subject to the joint venture agreement. In addition, should any of the Corporation’s joint venture partners determine not to fund their commitments under such joint venture agreement, the development of that project may be materially delayed or stopped, and the operations or financial results of the Corporation materially affected.

Title Matters

In those jurisdictions where the Corporation has property interests, the Corporation makes a search of mining records in accordance with mining industry practices to confirm satisfactory title to properties in which it holds or intends to acquire an interest, but does not obtain title insurance with respect to such properties. The possibility exists that title to one or more of its properties, particularly title to undeveloped properties, might be defective because of errors or omissions in the chain of title, including defects in conveyances and defects in locating or maintaining such claims, or concessions. The ownership and validity of mining claims and concessions are often uncertain and may be contested. The Corporation is not aware of any challenges to the location or area of its mineral claims. There is, however, no guarantee that title to the Corporation’s properties and concessions will not be challenged or impugned in the future. The properties may be subject to prior unregistered agreements or transfers, and title may be affected by undetected defects.

Dependence on Key Personnel

The success of the Corporation and its ability to continue to carry on operations is dependent upon its ability to retain the services of certain key personnel. The loss of their services to the Corporation may have a material adverse effect on the Corporation. The Corporation does not presently have “key person” life insurance for any of its officers.

Conflicts of Interest

Certain of the directors of the Corporation are directors of other mineral resource companies and, to the extent that such other companies may be interested in a project also of interest to the Corporation, or may in the future participate in one or more ventures in which the Corporation participates, such directors may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises, at a meeting of the directors of the Corporation, a director who has such a conflict will abstain from voting for or against the approval of such acquisition or participation. In the appropriate cases, the Corporation will establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict. From time to time several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participating in
larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program.

*Legal Proceedings Against Foreign Directors*

The Corporation is incorporated under the laws of British Columbia, Canada, and some of the Corporation’s directors and officers are residents of Canada. Consequently, it may be difficult for United States investors to affect service of process within the United States upon the Corporation or upon its directors or officers, or to realize in the United States upon judgments of United States courts predicated upon civil liabilities under the United States Securities Exchange Act of 1934, as amended. Furthermore, it may be difficult for investors to enforce judgments of U.S. courts based on civil liability provisions of the U.S. federal securities laws in a foreign court against the Corporation or any of the Corporation’s non-U.S. resident officers or directors.

*Environmental Regulation*

All phases of the Corporation’s operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Corporation’s operations, or its ability to develop its properties economically. Before production may commence on any property, the Corporation must obtain regulatory and environmental approvals and permits. There is no assurance such approvals and permits will be obtained on a timely basis, if at all. Compliance with environmental and other regulations may reduce profitability, or preclude economic development of a property entirely.

*Additional Funding Requirements*

The business of mineral exploration and extraction involves a high degree of risk with very few properties that are explored ultimately achieving commercial production. At present, none of the Corporation’s properties have a known body of commercial ore. As a mining company in the exploration stage, the future ability of the Corporation to conduct exploration and development will be affected principally by its ability to raise adequate amounts of capital through equity financings, debt financings, joint venturing of projects and other means. In turn, the Corporation’s ability to raise such funding depends in part upon the market’s perception of its management and properties, but to a great degree upon the price of the minerals and the marketability of securities of speculative exploration and development mining companies.

The development of any ore deposits found on the Corporation’s exploration properties depends upon the Corporation’s ability to obtain financing through any or all of equity financing, debt financing, the joint venturing of projects, or other means. There is no assurance that the Corporation will be successful in obtaining the required financing.

**NEW ACCOUNTING PRONOUNCEMENTS**

The following is a summary of the new accounting pronouncements:

*Effective for annual periods beginning on or after January 1, 2013:*

IFRS 10 - Consolidated Financial Statements
IFRS 12 - Disclosure of Interests in Other Entities
IFRS 13 - Fair Value Measurement

The Corporation assessed the impact of the above standards and noted that there was no impact of IFRS 10 and 12 on the Corporation’s financial statements.
IFRS 13 – Fair Value Measurement (“IFRS 13”) defines fair value and sets out a single framework for measuring fair value which is applicable to all IFRSs that require or permit fair value measurements or disclosures about fair value measurements. IFRS 13 requires that when using a valuation technique to measure fair value, the use of relevant observable inputs should be maximized while unobservable inputs should be minimized. The Corporation has applied IFRS 13 on a prospective basis, commencing January 1, 2013.

The IASB has also issued the following new and revised accounting standards:

Accounting standards effective for annual periods beginning on or after January 1, 2014:

IAS 32 – Financial Instruments: Presentation

Accounting standards effective for annual periods beginning on or after January 1, 2015:

IFRS 9 – Financial Instruments

These additional new and revised accounting standards have not yet been adopted by Mesa Exploration Corp., and the Corporation has not yet completed the process of assessing the impact that they will have on its financial statements or whether to early adopt any of the new requirements.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Corporation’s financial instruments consist of cash and cash equivalents, marketable securities, amounts receivable and accounts payable. It is management’s opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from the Corporation’s cash and cash equivalents, amounts receivable and accounts payable.

The Corporation is exposed to currency risk on acquisition and exploration expenditures on its properties since the expenditures have to be settled either in local currency or U.S. dollars. The Corporation’s expenditures are negatively impacted by increases in value of either the U.S. dollar or local currencies versus the Canadian dollar.

The Corporation’s Financial Instrument risks are included in Note 11 to the consolidated annual financial statements for the year ended March 31, 2013 and 2012.

USE OF FINANCIAL AND OTHER INSTRUMENTS

The Corporation has not entered into any specialized financial agreements to minimize its investment, currency or commodity risk. There are no off-balance sheet arrangements. The principal financial instruments affecting the Corporation’s financial condition and results of operations are currently its cash and cash equivalents and marketable securities.

OTHER REQUIREMENTS

Additional disclosure pertaining to the Corporation’s technical report, management information circulars, material change reports, press releases and other information are available on the SEDAR website at www.sedar.com.

SUBSEQUENT EVENTS

On July 10, 2013, the Corporation closed a non-brokered private placement of 1,375,000 units at a price of $0.08 per unit for gross proceeds of $110,000. Each unit consisted of one common share and one non-transferable common share purchase warrant. Each whole warrant entitled the holder thereof to purchase one additional common share at a price of $0.15 per warrant share until July 10, 2016. The Corporation also issued 70,000 brokers warrants as finders’ fees at a price of $0.15 per warrant share until July 10, 2016 and paid a finder’s fee of $5,600 in cash. The securities issued under the offering are subject to a four month hold period expiring November 10, 2016.
OUTSTANDING SHARE DATA

Capital Structure as of August 29, 2013:

Common shares issued and outstanding: 16,121,460
Total stock options outstanding and exercisable: 486,333

<table>
<thead>
<tr>
<th>Exercise Price</th>
<th>Amount Outstanding</th>
<th>Weighted Average Remaining Life (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.77</td>
<td>486,333</td>
<td>2.43</td>
</tr>
</tbody>
</table>

Total share purchase warrants outstanding and exercisable: 1,814,800

<table>
<thead>
<tr>
<th>Exercise Price</th>
<th>Amount Outstanding</th>
<th>Weighted Average Remaining Life (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.75</td>
<td>369,800</td>
<td>0.56</td>
</tr>
<tr>
<td>$0.15</td>
<td>1,445,000</td>
<td>2.87</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Outstanding and Exercisable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exercise Price</td>
<td>Amount Outstanding</td>
</tr>
<tr>
<td>$0.77</td>
<td>486,333</td>
</tr>
<tr>
<td>$0.15</td>
<td>1,814,800</td>
</tr>
</tbody>
</table>
FORWARD-LOOKING STATEMENTS

Certain statements contained in the following Management’s Discussion and Analysis may be deemed forward-looking statements within the meaning provided by Canadian security laws. All statements other than statements of historical facts, including the likelihood of commercial mining and possible future financings are forward-looking statements. Although the Corporation believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include unsuccessful exploration results, changes in commodity prices, changes in the availability of funding for mineral exploration, unanticipated changes in key management personnel and general economic conditions. Mining exploration is an inherently risky business. Accordingly the actual events may differ materially from those projected in the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements while considering the risks set forth below. The Corporation does not undertake to update any forward-looking information, except as, and to the extent, required by applicable securities laws.
NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, “Continuous Disclosure Obligations”, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Corporation have been prepared by management and approved by the Audit Committee and the Board of Directors of the Corporation.

The Corporation’s independent auditors have not performed a review of these consolidated financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity’s auditors.
MESA EXPLORATION CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

<table>
<thead>
<tr>
<th></th>
<th>June 30, 2013</th>
<th>March 31, 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>31,057</td>
<td>72,296</td>
</tr>
<tr>
<td>Amounts receivable</td>
<td>1,276</td>
<td>3,428</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>88</td>
<td>213</td>
</tr>
<tr>
<td>Marketable securities (note 4)</td>
<td>90,000</td>
<td>112,500</td>
</tr>
<tr>
<td></td>
<td>122,421</td>
<td>188,437</td>
</tr>
<tr>
<td>Reclamation bonds (note 5)</td>
<td>13,673</td>
<td>13,208</td>
</tr>
<tr>
<td>Exploration and evaluation assets (note 6)</td>
<td>1,727,738</td>
<td>1,647,489</td>
</tr>
<tr>
<td></td>
<td>1,863,832</td>
<td>1,849,134</td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>152,103</td>
<td>87,900</td>
</tr>
<tr>
<td><strong>SHAREHOLDERS’ EQUITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share capital (note 7)</td>
<td>7,530,021</td>
<td>7,530,021</td>
</tr>
<tr>
<td>Other equity reserve</td>
<td>1,879,564</td>
<td>1,879,564</td>
</tr>
<tr>
<td>Accumulated other comprehensive income</td>
<td>107,139</td>
<td>71,297</td>
</tr>
<tr>
<td>Deficit</td>
<td>(7,804,995)</td>
<td>(7,719,648)</td>
</tr>
<tr>
<td></td>
<td>1,711,729</td>
<td>1,761,234</td>
</tr>
<tr>
<td></td>
<td>1,863,832</td>
<td>1,849,134</td>
</tr>
</tbody>
</table>

**NATURE OF OPERATIONS AND GOING CONCERN** (note 1)

**COMMITMENTS** (note 5, 6 and 9)

**SUBSEQUENT EVENT** (note 11)

**APPROVED ON AUGUST 29, 2013 ON BEHALF OF THE BOARD:**

Signed: /s/ “Greg French”
Greg French, Director

Signed: /s/ “Foster Wilson”
Foster Wilson, Director

The accompanying notes are an integral part of these condensed consolidated interim financial statements
MESA EXPLORATION CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

<table>
<thead>
<tr>
<th>June 30,</th>
<th>June 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>2012</td>
</tr>
</tbody>
</table>

$     $  

EXPENSES

| Management and geological consulting fees | 64,914 | 49,720 |
| Exploration office expenses             | 7,400  | 7,473  |
| Public company expenses                 | 6,089  | 31,724 |
| Professional fees                       | 4,021  | 13,403 |
| General and administrative              | 2,697  | 10,988 |

85,121  113,308

OTHER EXPENSES (INCOME)

| Foreign exchange loss (gain) | 226    | (2,317) |

226  (2,317)

NET LOSS

(85,347)  (110,991)

OTHER COMPREHENSIVE INCOME (LOSS)

| Unrealized loss on available-for-sale marketable securities (note 4) | (22,500) | (35,000) |
| Foreign currency translation adjustments                             | 58,342   | 29,863   |

35,842  (5,137)

COMPREHENSIVE LOSS

(49,505)  (116,128)

Net Loss Per Share - Basic and Diluted

(0.01)  (0.01)

Weighted Average Number of Shares Outstanding

14,746,460  14,746,460

The accompanying notes are an integral part of these condensed consolidated interim financial statements
MESA EXPLORATION CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

For the three months ended June 30, 2013 and 2012

<table>
<thead>
<tr>
<th></th>
<th>June 30, 2013</th>
<th>June 30, 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net loss</td>
<td>(85,347)</td>
<td>(110,991)</td>
</tr>
<tr>
<td>Non-cash items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrealized foreign exchange loss (gain)</td>
<td>226</td>
<td>-</td>
</tr>
<tr>
<td>Changes in non-cash operating accounts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts receivable</td>
<td>2,152</td>
<td>8,646</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>128</td>
<td>10,720</td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>62,315</td>
<td>(11,822)</td>
</tr>
<tr>
<td></td>
<td>(85,121)</td>
<td>(110,991)</td>
</tr>
<tr>
<td><strong>INVESTING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exploration and evaluation assets</td>
<td>(21,600)</td>
<td>(27,892)</td>
</tr>
<tr>
<td></td>
<td>(21,600)</td>
<td>(27,892)</td>
</tr>
<tr>
<td>Effect of exchange rates on cash</td>
<td>887</td>
<td>1,227</td>
</tr>
<tr>
<td>Decrease in cash</td>
<td>(41,239)</td>
<td>(130,112)</td>
</tr>
<tr>
<td>Cash, beginning of period</td>
<td>72,296</td>
<td>709,607</td>
</tr>
<tr>
<td>Cash, end of period</td>
<td>31,057</td>
<td>579,495</td>
</tr>
</tbody>
</table>

**Supplementary Information:**

Non-cash investing and financing activities:
Purchase of mineral properties included in accounts payable and accrued liabilities | 41,077        | 18,219        |
MESA EXPLORATION CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)
For the three months ended June 30, 2013 and 2012

<table>
<thead>
<tr>
<th>Share Capital</th>
<th>Other Equity</th>
<th>Accumulated Other Comprehensive Income (Loss)</th>
<th>Deficit</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shares</td>
<td>Amount</td>
<td>Reserve</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance, March 31, 2012</td>
<td>14,746,460</td>
<td>7,530,021</td>
<td>1,879,564</td>
<td>68,975</td>
</tr>
<tr>
<td>Comprehensive loss</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(5,137)</td>
</tr>
<tr>
<td>Balance, June 30, 2012</td>
<td>14,746,460</td>
<td>7,530,021</td>
<td>1,879,564</td>
<td>63,838</td>
</tr>
<tr>
<td>Balance, March 31, 2013</td>
<td>14,746,460</td>
<td>7,530,021</td>
<td>1,879,564</td>
<td>71,297</td>
</tr>
<tr>
<td>Comprehensive loss</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>35,842</td>
</tr>
<tr>
<td>Balance, June 30, 2013</td>
<td>14,746,460</td>
<td>7,530,021</td>
<td>1,879,564</td>
<td>107,139</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these condensed consolidated interim financial statements
MESA EXPLORATION CORP.
NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian Dollars) (Unaudited – Prepared by Management)
For the three months ended June 30, 2013 and 2012

1. NATURE OF OPERATIONS AND GOING CONCERN

Mesa Exploration Corp. (the “Corporation” or “Mesa”), formerly Mesa Uranium Corp., is an exploration stage mining company engaged in the identification, acquisition and exploration of a portfolio of mineral properties located in the United States. It was incorporated in British Columbia as Fintry Enterprises Inc. (“Fintry”) and its shares are listed on the TSX Venture Exchange.

The Corporation acquired BZU Minerals Ltd. (“BZU”) on December 21, 2005, and then changed its name from Fintry Enterprises Inc. to Mesa Uranium Corp. As the former shareholders of BZU acquired control of the Corporation this transaction was accounted for as a reverse takeover, and these consolidated financial statements are a continuation of the historical financial statements of BZU from the date of its incorporation on October 12, 2005. On September 15, 2008, the trading symbol changed from MZU to MSA. On March 30, 2011, the Corporation further changed its name to Mesa Exploration Corp. to reflect a shift in focus from uranium into a more diversified exploration and development company. The Corporation’s head office is located at Suite 1238, 200 Granville Street, Vancouver BC, Canada, V6C 1S4.

These condensed consolidated interim financial statements have been prepared on a going concern basis. There is a material uncertainty that may cast significant doubt about the ability of the Corporation to continue as a going concern. The Corporation’s ability to continue as a going concern is dependent upon the continued support of its shareholders, obtaining sufficient financing to complete its acquisition and exploration objectives and generating revenues sufficient to cover its operating costs or, ultimately obtaining proceeds from profitable disposal of its properties. There is no certainty that the Corporation will be able to achieve these objectives particularly in light of current challenges faced by exploration stage companies in raising capital through public markets. These consolidated financial statements do not give effect to any adjustments which would be necessary should the Corporation be unable to continue as a going concern and realize its assets and discharge its liabilities in the normal course of business.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and the interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for financial instruments classified as available-for-sale that have been measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These condensed financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in and should be read in conjunction with the Corporation’s March 31, 2013 audited annual consolidated financial statements.

All financial information in these condensed consolidated interim financial statements is presented in Canadian dollars (“CAD”) unless otherwise stated.

These condensed consolidated interim financial statements were reviewed by the Audit Committee and approved for issue by the Board of Directors on August 29, 2013.

3. RECENT ACCOUNTING PRONOUNCEMENTS

The IASB issued a number of new and revised accounting standards which are effective for annual periods beginning on or after January 1, 2013, with early adoption permitted. These standards include the following:

- IFRS 10 - Consolidated Financial Statements
3. RECENT ACCOUNTING PRONOUNCEMENTS (continued)

- IFRS 13 - Fair Value Measurement

The Corporation assessed the impact of the above standards and noted that there was no impact of IFRS 10 and 12 on the Corporation’s financial statements.

IFRS 13 – Fair Value Measurement (“IFRS 13”) defines fair value and sets out a single framework for measuring fair value which is applicable to all IFRSs that require or permit fair value measurements or disclosures about fair value measurements. IFRS 13 requires that when using a valuation technique to measure fair value, the use of relevant observable inputs should be maximized while unobservable inputs should be minimized. The Corporation has applied IFRS 13 on a prospective basis, commencing January 1, 2013.

The IASB has also issued the following new and revised accounting standards:

Accounting standards effective for annual periods beginning on or after January 1, 2014:

- IAS 32 – Financial Instruments: Presentation

Accounting standards effective for annual periods beginning on or after January 1, 2015:

- IFRS 9 – Financial Instruments

These additional new and revised accounting standards have not yet been adopted by Mesa Exploration Corp., and the Corporation has not yet completed the process of assessing the impact that they will have on its financial statements or whether to early adopt any of the new requirements.

4. MARKETABLE SECURITIES

In September 2010, the Corporation signed a mineral property option agreement with Passport Potash Inc. (“PPI”; TSXV: PPI.V) on the Holbrook potash project in Arizona. The project consisted of Arizona State Land Department exploration leases covering 1,950 acres and was wholly-owned by Mesa. Under the agreement, Mesa received 500,000 shares of PPI valued at $0.10 per share giving a cost base of $50,000, US$20,000 in cash and a 2% NSR subject to a buyback for US$300,000. During the year ended March 31, 2012, PPI completed its work expenditure for the right to acquire the remaining interest in the Holbrook potash project and the Corporation received US$300,000 from PPI.

<table>
<thead>
<tr>
<th>Number of Shares</th>
<th>Cost</th>
<th>Fair Value</th>
<th>Accumulated unrealized gains</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, March 31, 2013</td>
<td>500,000</td>
<td>50,000</td>
<td>112,500</td>
</tr>
<tr>
<td>Unrealized loss on change in market value</td>
<td>-</td>
<td>-</td>
<td>(22,500)</td>
</tr>
<tr>
<td>Balance, June 30, 2013</td>
<td>500,000</td>
<td>50,000</td>
<td>90,000</td>
</tr>
</tbody>
</table>

As of June 30, 2013, the fair value of the PPI shares was $90,000 (March 31, 2013 - $112,500) which reduced the accumulated unrealized gains by $22,500 to $40,000. The reduction of $22,500 has been recorded in other comprehensive income in the statement of comprehensive loss.
5. RECLAMATION BONDS

Reclamation bonds are comprised of the following:

<table>
<thead>
<tr>
<th></th>
<th>Lisbon Valley</th>
<th>Moonshine Springs</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, March 31, 2013</td>
<td>10,160</td>
<td>3,048</td>
<td>13,208</td>
</tr>
<tr>
<td>Currency translation adjustment</td>
<td>358</td>
<td>107</td>
<td>465</td>
</tr>
<tr>
<td>Balance, June 30, 2013</td>
<td>10,518</td>
<td>3,155</td>
<td>13,673</td>
</tr>
</tbody>
</table>

Reclamation bonds are held as security for the estimated cost of reclamation of the Corporation’s land and unproven mineral interests. Once reclamation of the properties is complete, the bonds will be returned to the Corporation.

6. EXPLORATION AND EVALUATION ASSETS

Mineral Property Interests

a) Lisbon Valley

The Corporation holds mineral claims and leases in the Lisbon Valley uranium mining district of Utah comprising an area of approximately 2,583 hectares of unpatented United States federal mining claims and Utah State mineral leases as at June 30, 2013. The Lisbon Valley uranium mining district is located in the Colorado Plateau region, in southeastern Utah in San Juan County.

During the year ended March 31, 2013, the Corporation dropped 267 hectares of unpatented United States federal mining claims.

On May 22, 2008, the Corporation signed a definitive agreement with Energy Fuels Inc. to form an exploration joint venture, West Lisbon JV, LLC for the Dar property. The Dar property is located in the Lisbon Valley Mining District of San Juan County, Utah and consists of 60 staked mining claims (approximately 1,240 acres). The joint venture contemplates a 50-50 shared expenditure agreement to conduct exploration drilling on the property. No exploration work was undertaken by the Corporation under the proposed joint venture agreement.

b) Moonshine Springs

The Moonshine Springs project is located in Mohave County, Arizona. The project is wholly-owned by the Corporation and consists of 320 acres.

During the year ended March 31, 2012, a rotary drilling program was completed on the property.
6. EXPLORATION AND EVALUATION ASSETS (continued)

c) Potash Projects: White Cloud, Salt Wash, Whipsaw

During September 2008, the Corporation filed applications for potash exploration permits with the Bureau of Land Management (“BLM”). The White Cloud potash property contains potash from both solution mining and naturally-occurring potash brines.

During May 2009, the White Cloud potash project was expanded to 35,510 acres. The property is located 40 miles north of the Lisbon Valley uranium project in southeastern Utah. Applications were also filed for two new projects, Salt Wash at 21,184 acres and Whipsaw with 17,968 acres. A total of 74,662 acres (116 square miles) of the Corporation’s applications passed BLM Suitability Reviews.

During the year ended March 31, 2013, the White Cloud potash project was decreased to 22,096 acres.

d) Green Energy

During November 2009, the Corporation acquired, by staking, the Green Energy lithium project located in Utah. The project consists of mining claims covering an area of approximately 10 square miles (6,000 acres) and is wholly-owned.

During March 2010, additional lithium claims were staked bringing the total acreage under the Corporation’s control to 7,840 acres, or approximately 12 square miles.

During March 2011, the Corporation staked new claims contiguous to the existing claim block at the Green Energy project, for a total position of 10,080 acres.

During the year ended March 31, 2013, the Corporation reduced the existing claims to 640 acres.

e) Bounty

The Corporation announced the acquisition of the Bounty potash project located in the Great Salt Lake Desert of western Utah in January 2012. The Bounty project consists of 90 square miles of potash prospecting permit applications from the Bureau of Land Management (“BLM”). There are also 14 square miles of Potash Leases from the State of Utah under review with the BLM.

f) Oatman

During October 2012, the Corporation acquired a 100% interest in the Oatman gold project for US$45,000 from American Bonanza Gold Corp. (“American Bonanza”), a company which has certain directors in common. The Oatman gold project is located in western Arizona and consists of 67 unpatented mining claims totalling 1,360 acres. American Bonanza retains a 3% NSR royalty, half of which can be purchased by the Corporation for US$2,000,000.

g) Belmont

During October 2012, the Corporation acquired a 100% interest in the Belmont silver project for US$30,000 from American Bonanza. The Belmont silver project is located in central Nevada. The project has 24 unpatented mining claims totalling 480 acres. American Bonanza retains a 3% NSR royalty, half of which can be purchased by the Corporation for US$2,000,000.
6. **EXPLORATION AND EVALUATION ASSETS** (continued)

Accumulated acquisition, exploration and evaluation expenditures are comprised as follows:

<table>
<thead>
<tr>
<th></th>
<th>Lisbon Valley</th>
<th>Moonshine Springs</th>
<th>Potash Projects</th>
<th>Green Energy</th>
<th>Bounty</th>
<th>Oatman</th>
<th>Belmont</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, March 31, 2013</td>
<td>1,046,644</td>
<td>62,193</td>
<td>28,781</td>
<td>70,425</td>
<td>363,246</td>
<td>45,720</td>
<td>30,480</td>
<td>1,647,489</td>
</tr>
<tr>
<td>Currency translation adjustment</td>
<td>36,880</td>
<td>2,236</td>
<td>1,014</td>
<td>2,482</td>
<td>13,352</td>
<td>1,611</td>
<td>1,074</td>
<td>58,649</td>
</tr>
<tr>
<td>Engineering and environmental</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>19,987</td>
<td>-</td>
<td>-</td>
<td>19,987</td>
</tr>
<tr>
<td>Land fees, permit, licenses</td>
<td>-</td>
<td>1,613</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,613</td>
</tr>
<tr>
<td></td>
<td>36,880</td>
<td>3,849</td>
<td>1,014</td>
<td>2,482</td>
<td>33,339</td>
<td>1,611</td>
<td>1,074</td>
<td>80,249</td>
</tr>
<tr>
<td>Balance, June 30, 2013</td>
<td>1,083,524</td>
<td>66,042</td>
<td>29,795</td>
<td>72,907</td>
<td>396,585</td>
<td>47,331</td>
<td>31,554</td>
<td>1,727,738</td>
</tr>
</tbody>
</table>
7. SHARE CAPITAL

Authorized

The Corporation is authorized to issue an unlimited number of common shares without par value.

Issued and outstanding

As at June 30, 2013, the Corporation had 14,746,460 common shares issued and outstanding (March 31, 2013 - 14,746,460).

Options

The Corporation grants incentive stock options as permitted pursuant to the Corporation’s Stock Option Plan (the “Plan”) approved by the shareholders on December 21, 2005, and subsequently reapproved by shareholders on September 25, 2012. The Plan has been structured to comply with the rules of the TSX Venture Exchange. The aggregate number of common shares which may be subject to option at any one time may not exceed 10% of the issued common shares of the Corporation as of that date including options granted prior to the adoption of the Plan. Options granted may not exceed a term of five years. If the optionee ceases to be qualified to receive options from the Corporation those options expire immediately. All options vest when granted unless otherwise specified by the Board of Directors.

As at June 30, 2013, the Corporation has 486,333 stock options outstanding held by directors, officers, employees and consultants with a weighted average remaining contractual life of 2.60 years (March 31, 2013 – 2.85 years) expiring February 3, 2016. During the three months ended June 30, 2013, 130,000 stock options with an exercise price of $0.77 per option were cancelled.

<table>
<thead>
<tr>
<th>Number of Options</th>
<th>Weighted Average Exercise Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outstanding, March 31, 2013</td>
<td>616,333 0.77</td>
</tr>
<tr>
<td>Cancelled</td>
<td>(130,000) 0.77</td>
</tr>
<tr>
<td>Outstanding, June 30, 2013</td>
<td>486,333 0.77</td>
</tr>
</tbody>
</table>

Details of the stock options outstanding and exercisable as at June 30, 2013, are:

<table>
<thead>
<tr>
<th>Exercise Price</th>
<th>Amount Outstanding</th>
<th>Weighted Average Remaining Life (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.77</td>
<td>486,333</td>
<td>2.60</td>
</tr>
</tbody>
</table>
7. SHARE CAPITAL (continued)

Warrants

At June 30, 2013, the Corporation had 369,800 outstanding common share purchase warrants (March 31, 2013 - 369,800) and the weighted average exercise price was $0.75 (March 31, 2013 - $0.75).

The following table summarizes the share purchase warrants outstanding and exercisable as at June 30, 2013:

<table>
<thead>
<tr>
<th>Exercise Price</th>
<th>Amount Outstanding</th>
<th>Weighted Average Remaining Life (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.75</td>
<td>369,800</td>
<td>0.72</td>
</tr>
</tbody>
</table>

As at June 30, 2013, the weighted average remaining contractual life of the warrants outstanding and exercisable was 0.72 years (March 31, 2013 – 0.97 years).

8. RELATED PARTY TRANSACTIONS AND BALANCES

As of June 30, 2013, accounts payable and accrued liabilities include amounts owing to an officer of the Corporation of $nil (2012 - $1,526).

Related party transactions are recorded at the amount paid or received as established by contract or as agreed upon by the Corporation and the related party.

9. COMMITMENT

The Corporation is committed to a lease for its office located in Reno, Nevada in the amount of US$2,196 per month expiring in October 2014.

10. MANAGEMENT OF CAPITAL

The Corporation’s objectives of capital management are intended to safeguard the entity's ability to support the Corporation’s acquisition and exploration of its mineral properties and support any expansionary plans.

The capital of the Corporation consists of the items included in shareholders’ equity. The Corporation manages the capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the Corporation’s underlying assets.

To effectively manage the entity’s capital requirements, the Corporation has in place a rigorous planning and budgeting process to help determine the funds required. The Corporation may issue new shares or seek debt financing to ensure that there is sufficient working capital to meet its short-term business requirements. The Corporation is not subject to externally imposed capital requirements.

11. SUBSEQUENT EVENT

On July 10, 2013, the Corporation closed a non-brokered private placement of 1,375,000 units at a price of $0.08 per unit for gross proceeds of $110,000. Each unit consisted of one common share and one non-transferable common share purchase warrant. Each whole warrant entitled the holder thereof to purchase one additional common share at a price of $0.15 per warrant share until July 10, 2016. The Corporation also issued 70,000 brokers warrants as finders’ fees at a price of $0.15 per warrant share until July 10, 2016 and paid a finder’s fee of $5,600 in cash. The securities issued under the offering are subject to a four month hold period expiring November 10, 2016.
CORPORATE INFORMATION

DIRECTORS

Greg French
Nevada, United States

Brian P. Kirwin
Reno, United States

Larry Kornze
Idaho, United States

Foster Wilson
Reno, United States

OFFICES

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United States, 89502
Telephone (775) 379-3993

INVESTOR RELATIONS CONTACT
Telephone (775) 379-3993
Email info@mesaexploration.com

WEBSITE
Additional information about the Corporation can be found at our website www.mesaexploration.com

OFFICERS

Brian P. Kirwin
Non-Executive Chairman

Foster Wilson
President, Chief Executive Officer & Corporate Secretary

Joe Chan
Chief Financial Officer

REGISTRAR AND TRANSFER AGENT
Computershare Investor Services Inc.
Vancouver, Canada

SHARES LISTED
TSX Venture Exchange: MSA

CAPITALIZATION
(June 30, 2013)
Shares Issued and Outstanding: 14,746,460

AUDITOR
Manning Elliott, Chartered Accountants
Vancouver, Canada

LEGAL COUNSEL
Axium Law Corporation
Vancouver, Canada