SIMBERI MINING CORPORATION
(A Development Stage Company)

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS SIX MONTHS ENDED JUNE 30, 2009

Following is a discussion and analysis of the activities, results of operations and financial condition of Simberi Mining Corporation ("Simberi" or the "Corporation") for the Six months ended June 30, 2009 compared to the same period ended June 30, 2008. The discussion should be read in conjunction with the audited consolidated financial statements of the Corporation for the year ended December 31, 2008 and the notes thereto. The Corporation's financial statements and financial data set out below have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). Unless otherwise denoted, all amounts discussed herein are denominated in Canadian dollars.

Additional information relating to the Corporation is also available on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com *under the name Simberi Mining Corporation*.

1.1 The effective date of this report is August 25, 2009.

1.2 Overview of operations

The Company

Simberi Mining Corporation is a Canadian based international mineral development company that participates in early to mid stage properties with high potential for near term production. Simberi's main mineral development project is the Kakanda Copper/Cobalt project in the Democratic Republic of the Congo ("DRC"). This is a world class copper/cobalt deposit in the Central African Copper Belt. As detailed in section 5.3 of this report, the Kakanda project has a NI 43-101 compliant report which details significant copper and cobalt resources with tailings and associated hard rock mineralization. Simberi also has several projects in Australia. The joint ventures on Mt. Sarah and Mt. Narlee and the Lambina project are primarily located in the G-2 corridor within the Gawler Craton in South Australia, a host for the copper/uranium/gold Olympic Dam type deposits. The Merlot property located in the Mt. Margaret mineral field in Western Australia covers a portion of the Sefton Lineament, a major structural feature that is host for copper, nickel and platinum group metals.

As at June 30, 2009 Simberi had four wholly owned subsidiaries being Novaking Pty Ltd. ("Novaking"), New Congo Resources Development Company Inc. ("New Congo"), Alive International Holdings and Optima Pharmaceuticals Inc. Novaking and its wholly-owned subsidiaries Renaissance Corporation Pty Ltd., Merlot Thoughts PTY Ltd. and SA Drilling Pty Ltd are involved in various projects in Australia (Lambina, Mount Narlee, Mount Sarah & Merlot). New Congo and its wholly owned subsidiary PTM Minerals (Cayman) Ltd. are involved in the Kakanda project located in the DRC. Alive International Holdings ("Alive") and Optima Pharmaceuticals Inc. ("Optima") have been inactive since 2004.

<u>Highlights for the Six months ended June 30, 2009</u>

On June 8, 2009, Simberi announced that it entered into a letter of intent ("LOI") with Lori Energy Inc., ("Lori"), to enable Simberi to acquire up to a 100% interest in Prospecting Licence: PL/35SE/02/07 called the Kaburi Licence encompassing 6,431 hectares located in the Mazaruni mining district of Guyana (the "Kaburi Licence"). The parties intend to complete definitive documentation for the transaction after completing due diligence, following which Simberi will acquire a 100% unencumbered interest in the Kaburi Licence from Lori. Under the LOI, Simberi has agreed to pay $50,000 on or before September 30, 2009 to acquire the property.

On January 12, 2009 Simberi announced that its wholly owned subsidiary PTM Minerals ("PTM") has signed a Memorandum of Understanding ("MOU") with Generale des Mines ("Gecamines") based on the 1997 agreement that will be the basis to establish a joint venture to exploit the Kakanda tailings deposit. This MOU is in accordance with the government of the Democratic Republic of the Congo Mining Revisitation Program. The MOU allow PTM to be a major shareholder with between 51% and 70% of the project. The final holding will be confirmed after the updating of the feasibility study that is expected to be completed within six (6) months following the signing of this MOU. The New Feasibility Study will also incorporate the additional tailings deposited on the site since the original feasibility study completed in 1997.

On February 26, 2009 Simberi completed a private placement for gross proceeds of $65,000 through the sale of 6,500,000 non flow-through shares at an issue price of $ 0.01 per share and 6,500,000 warrants to purchase Common shares at an exercise price of $0.05 in the first year and $0.10 in the second year. All securities issued pursuant to the private placement will be subject to a four month hold period following the closing date.

Mineral Properties

A historical overview of the Company's exploration properties together with current exploration activities and planned future objectives for each property are explained in section 5.3.

Overall Performance

The Company had a net loss of $408,979 for the six months ended June 30, 2009 compared to a net loss of $407,417 for the six months ended June 30, 2008.

Total assets decreased from $6,756,749 at December 31, 2008 to $6,574,089 at June 30, 2009. The decrease is primarily due to funds used for operating activities.

Mineral properties and deferred exploration expenditures increased by $132,240 during the six months ended June 30, 2009, as it is the Company's policy to defer expenditures related to the exploration and development of its mining properties until such time as they are brought into commercial production.

1.4 Results of Operations

Revenue

The exploration properties acquired by the Company are still in the early exploration and development stage. Until sufficient work has been completed to confirm the feasibility of any specific interest being placed into production, it is not anticipated that the Corporation will have any material revenue. No revenues from the properties have been reported for the six months ended June 30, 2009 and the comparable periods ended December 31, 2008.

Other Items

During the six months ended June 30, 2009 the Company earned interest income of $nil (2008 - $20,640) on its short-term investments.

Analysis of Expenses for the Three months ended June 30, 2009

	Three months ended 30-Jun-09	% of 2009 Total	Three months ended 30-Jun-08	Change %
Professional and consulting fees	$73,408	39.5%	$111,120	-33.9%
General and administrative	42,908	23.1%	83,439	-48.6%
Legal and audit	33,825	18.2%	48,644	-30.5%
Stock option compensation	15,395	8.3%	3,594	328.4%
Foreign exchange	19,109	10.3%	-3,874	-593.3%
Amortization	1,397	0.8%	2,039	-31.5%
TOTAL	$186,042	100.0%	$244,962	-24.1%

Professional and consulting consisted of $30,000 (2008 - $30,000) in management services charged by Porphyry Inc., a corporation controlled by Michael Newbury who is President and CEO and a director of the Company (see section 1.9). The balance of the professional and consulting fees were paid to consultants/employees to perform financial accounting, treasury, corporate development and administrative services, to operate a public company. General business consulting on various matters includes consulting on the Australian properties and related financings, consulting on various options with respect to the Kakanda project, presentations and discussions with investors and other business matters.

The office and general expenses were $42,908 (2008 - $83,439). The main items included in G&A are rent.

Included in legal and audit expense of $ 33,825 (2008 - $48,644) are legal fees of $4,205 (2008 - $18,280) and audit fees and related accruals of $29,620 (2008 - $30,364).

There were no direct costs relating to investor relations during the three months ended June 30, 2009.

Foreign exchange loss of $19,109 (2008 – gain $3,874) is the result of the translation of Australian dollars to Canadian (relating to the work done in Australia) and the translation of US dollars to Canadian (relating to work done in the Congo).

As at June 30, 2009 a total of 14,050,000 (December 31, 2008 – 12,825,000) stock options were outstanding to directors, officers and consultants. During the three months ended June 30, 2009 a total of $15,395 was expensed with respect to that portion of the options vesting during the quarter (2008 - $3,594). The balance of the options that have not vested will be expensed during the quarter in which such vesting occurs. The stock option expense is based on a Black Scholes valuation model that recognizes the expense over the term of the vesting period (quarterly over 18 months from the grant date). The stock option expense does not affect the cash resources of the Company.

Analysis of Expenses for the Six months ended June 30, 2009

	Six months ended 30-Jun-09	% of 2008 Total	Six months ended 30-Jun-08	Change %
Professional and consulting fees	$153,968	42.5%	$202,470	-24.0%
General and administrative	109,560	30.3%	263,196	-58.4%
Legal and audit	44,663	12.3%	79,211	-43.6%
Stock option compensation	31,263	8.6%	9,634	224.5%
Foreign exchange	19,845	5.5%	16,500	20.3%
Directors' compensation	0	0.0%	-18,461	-100.0%
Amortization	2,795	0.8%	4,077	-31.4%
TOTAL	$362,094	100.0%	$556,627	-34.9%

Breakdown of general and administrative expenses for the Six months ended June 30, 2009

	Six months Ended	
	June-30 2009	June-30 2008
Bank charges & interest	1,008	1,034
Advertising and promotion	33,125	69,887
Travel	0	104,398
Rent	46,880	32,086
Office and administration	4,154	6,696
Conference	3,010	0
Insurance	3,668	3,959
Donations	0	0
Telephone	3,335	5,799
Exchange fees, transfer agent & shareholder communication	12,491	18,586
Computer support	444	3,218
Bookkeeping and admin.	1,447	10,800
Total	109,562	263,196

1.5 Quarterly Information

	QTR 2 2009	QTR 1 2009	QTR 4 2008	QTR 3 2008	QTR 2 2008	QTR 1 2008	QTR 4 2007	QTR 3 2007
Revenue	-	-	-	-	-	-	-	-
(Loss) earnings before discontinued and extraordinary items	-251,828	-157,153	-518,378	-348,039	-109,670	-297,747	-97,107	-777,310
Per common share basic and fully diluted	0	0	0	0	0	0	0	-0.01
Net (Loss) earnings	-251,828	-157,153	-518,378	-348,039	-109,670	-297,747	-97,107	-777,310
Per common share and fully diluted	0	0	0	0	0	0	0	-0.01
Assets	6,574,089	6,738,629	6,756,749	7,174,561	7,562,777	7,537,412	7,882,438	7,933,490

The level of activity and expenditures during a specific quarter are influenced by the availability of working capital, the availability of additional external financing, the time required to gather, analyze and report on geological data related to historical data and the results of the Company's prior exploration activities on its properties and the amount of expenditure required to advance its projects.

1.6 Liquidity

The Corporation does not have any recurring revenue streams and therefore, depending on its existing capital resources and the capital required for any future activities it may have to access the equity markets to obtain any additional funding.

The Corporation's liquidity is a function of raising non-flow-through financing, primarily through private placements and equity raises to sophisticated investors and institutions. The Company has no revenue from its mining properties. Although the Company has limited financial resources to carry out its immediate plans, it is dependant on obtaining future financing for the exploration and development of its mineral properties. There is no assurance that such financing will be available when required, or under favourable terms. For additional comments on the Company's liquidity and capital resources, refer to the Consolidated Financial Statements for the year ended December 31, 2009 and to Note 14 "Commitments" and Note 12 "Risk Factors" sections below.

As at June 30, 2009, Simberi reported working capital of $88,742 ($158,904 as at December 31, 2008), which includes cash & cash equivalents of $56,283 ($190,748 as at December 31 2008). Based on assumptions about future business development, revenues and costs, Simberi has sufficient cash reserves to maintain and complete its planned operations for the next operating quarter. Additional investment capital is required for ongoing operations and management is continuing to seek additional capital from a number of different sources. In addition the Company has taken a number of actions to reduce its costs to a minimum

1.7 Capital Resources

Simberi currently does not have any long-term debt or credit facilities with financial institutions. At this time, the Corporation is not anticipating an operating profit from mining activities, therefore it will rely on its ability to obtain equity or debt financing for growth.

Simberi Mining Corporation
Four Quarter Capital Exploration & Operation Budget

	Q3 2009 $	Q4 2009 $	Q1 2010 $	Q2 2010 $	4 Quarter Total $
Exploration Budget	20,000	30,000	50,000	50,000	150,000
Operating Budget	75,000	75,000	100,000	100,000	350,000
Total Capital Resource Requirements	95,000	105,000	150,000	150,000	500,000

* *Administration & office expenses exclude amortization and stock option compensation as these are non cash items. Also a provision for foreign exchange is not included due to the unpredictability of currency fluctuations.*

The joint venture partners are expected to continue their respective programs on the Australian properties for the balance for the year.

At the present time, there are no major capital expenditures planned, the exploration budget as indicated above is minimal and is designed to undertake only the work required to keep the properties in good standing. There is insufficient capital to continue a major detailed exploration and development of its projects. The Company can only continue operations in the current period with the Corporation's current capital resources.

1.8 Off-balance Sheet Arrangements

There were no off-balance sheet arrangements as at June 30, 2009.

1.9 Transactions with Related Parties

(a) During six months ended June 30, 2009 $61,575 (2008 – $101,488) was charged by Porphyry Inc., a company owned by a director and officer, for services rendered and for reimbursement of expenses.

(b) In the first quarter the Company paid directors fees of $nil (2008 – $16,500)

(c) On February 26, 2009 two officers of the Company subscribed for 1,500,000 non flow-through shares at an issue price of $0.01 per share and 1,500,000 warrants to purchase common shares at an exercise price of $0.05 in the first year and $0.10 in the second year.

Related party transactions include business and services that the Company in the normal course of business would obtain in the general marketplace. These are required in the normal course of operations and are measured at the exchange amount that would have to be paid to third parties for the same service.

Mine Development

No mine development work program was carried out during the most recent quarter.

1.10 Fourth Quarter

The results of the Fourth Quarter are reported in Section 1.5.

1.11 Proposed Transactions

There are no proposed transactions at this time.

1.12 Critical Accounting Estimates

Critical accounting estimates used in the preparation of the financial statements include the Company's estimate of recoverable value on its mineral properties as well as the value of stock based compensation. Both of these estimates involve considerable judgement and are, or could be, affected by significant factors that are out of the Company's control.

The factors affecting stock based compensation include estimates of when stock options might be exercised and the stock price volatility. The timing for exercise of options is out of the Company's control and will depend, among other things, upon a variety of factors including the market value of Company shares and financial objectives of the holders of the options. The Company has used historical data of publicly traded companies of the same industry and size to determine volatility in accordance with Black Scholes modelling, however future volatility is inherently uncertain and the model had its limitations. While these estimates have an impact on the stock based compensation and hence results of operations, there is no impact on the Company's financial condition.

The Company's recorded value of its mineral property is based on historical costs that expect to be recovered in the future. The Company's recoverability evaluation is based on market conditions for minerals, underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through mining operations or by sale. The Company is in an industry that is exposed to a number of risks and uncertainties, including exploration risk, development risk, commodity price risk, as well as environmental risk.

1.13 Changes in Accounting Policy

On December 1, 2006, the CICA issued three new accounting standards: Capital Disclosures (Handbook Section 1535), Financial Instruments – Disclosures (Handbook Section 3862), and Financial Instruments – Presentation (Handbook Section 3863). These new standards became effective for the Company on January 1, 2008.

Capital Disclosures

CICA Handbook Section 1535, "Capital Disclosures", requires disclosure of an entity's objectives, policies and processes for managing capital, quantitative data about what the entity regards as capital and whether the entity has complied with any capital requirements and, if it has not complied, the consequences of such non-compliance. The Company has included disclosures recommended by the new Handbook section in note 3 to the June 30, 2009 consolidated financial statements.

Financial Instruments – Disclosure and Presentation

CICA Handbook Sections 3862, “Financial Instruments – Disclosures” and 3863, “Financial Instruments – Presentation” replace Handbook Section 3861, “Financial Instruments – Disclosure and Presentation”, revision and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosure about the nature and extent of risks arising from financial instruments and how the entity manages those risks. The Company has included disclosures recommended by the new Handbook section in note 12 to the March 31, 2009 consolidated financial statements.

IFRS Implementation Plan

The AcSB has confirmed that IFRS will replace current Canadian GAAP for publically accountable enterprises, including the Company, effective for the fiscal years beginning on or after January 1, 2011. Accordingly, the Company will report interim and annual financial statements in accordance with the IFRS beginning with the quarter ended March 31, 2011 which will be reviewed by the Company’s auditor to ensure compliance with IFRS.

The Company has commenced the development of an IFRS implementation plan to prepare for this transition, and is currently in the process of analyzing the key areas where changes to current accounting policies may be required. While an analysis will be required for all accounting policies, the initial key areas of assessment will include:

- Exploration and development expenditures
- Property, plant and equipment (measurement and valuation),
- Provisions, including asset retirement obligations,
- Stock-based compensation,
- Accounting for income taxes, and
- First-time adoption of International Financial Reporting Standards (IFRS 1)

As analysis of each of the key areas progresses, other elements of the Company’s IFRS implementation plan will also be addressed, including: the implication of changes to accounting policies and processes; financial statement disclosures on information technology; internal controls; contractual arrangements; and employee training. The table below summarizes the expected timing of activities related to the Company’s transition to IFRS.

Initial analysis of key areas for which changes to accounting policies may be required.	In progress, expected to be completed during Q3 2009.
Detailed analysis of all relevant IFRS requirements and identification of areas requiring accounting policy changes or those with accounting policy alternatives.	Throughout 2009
Assessment of first-time adoption (IFRS 1) requirements and alternatives.	Throughout 2009
Final determination of changes to accounting policies and choices to be made with respect to first-time adoption alternatives.	Q4 2009 – Q1 2010
Resolution of the accounting policy change implications on information technology, internal controls and contractual arrangements.	Q4 2009 – Q2 2010
Management and employee education and training.	Throughout the transition process.
Quantification of the Financial Statement impact of changes in accounting policies.	Throughout 2010

Recent accounting pronouncements

Goodwill and Intangible Assets
CICA Handbook Section 3064, Goodwill and Intangible Assets ("CICA 3064"), results in the withdrawal of CICA 3450, "Research and Developmental Costs", and amendments to Accounting Guideline 11, "Enterprises in the Development Stage" and CICA 1000, "Financial Statement Concepts". The standard intends to reduce the differences between Canadian GAAP and IFRS in the accounting for intangible assets. Under current Canadian standards, more items are recognized as assets than under IFRS. The objectives of CICA 3064 are to reinforce the principle-based approach to the recognition of assets and to clarify the application of the concept of matching revenues and expenses such that the current practice of recognizing asset items that do not meet the definition and recognition criteria is eliminated. The new standard also provides guidance for the recognition of internally developed intangible assets (including research and development activities), ensuring consistent treatment of all intangible assets. The new standard takes effect for fiscal years beginning on or after October 1, 2008, with early adoption encouraged. The Company is evaluating the effects of adopting this standard.

International Financial Reporting Standards ("IFRS")
In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008 the AcSB announced that 2011 is the changeover date for publicly-listed companies to replace Canadian GAAP with IFRS. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended July 31, 2011. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

1.14 Financial Instruments

The Company has not entered into any specialized financial agreements to minimize its investment, currency or commodity risk. The Company's financial instruments consist of cash and cash equivalents, sundry receivables, loan receivable, financial assets available-for-sale, and trade payables. Unless otherwise noted it is managements opinion that the Company is not exposed to significant risk arising from the financial instruments. The fair value of these financial instruments approximates their fair value because of the short-term maturities of these items. Related Risk factors relating to financial instruments are further discussed in Note 12 to the consolidated financial statements for the three and six months ended June 30, 2009.

5.3 Additional Disclosure of Venture Issuers without Significant Revenue

New Congo - Kakanda Project
The Kakanda Property is located in Katanga Province, Democratic Republic of the New Congo ("DRC") some 70 kilometres northwest of the major regional centre of Likasi, with which it is linked by a fair quality dirt road through Kambove. Likasi is in turn 120 kms by paved road from the Provincial capital, Lubumbashi. Lubumbashi has scheduled air services to Johannesburg, Nairobi, Kinshasa and other African cities. The Katanga Province has a sub-tropical climate typified by a dry season of six months (April to September) and a rainy season of six months (October to March). This zone also includes a number of other major copper/cobalt developments such as Tenke Fungurume (Tenke Mining Corp.) and the Kolwezi Tailings Project (Quantum Minerals).

The Kakanda and Kambove Copper-Cobalt deposits are hosted by sedimentary rocks of the Neo-Proterozoic Katanga System, situated within the Lufilian Arc. The Lufilian Arc and Zambesi Belt form part of a system of supracrustal Pan African belts of Neo-Proterozoic age in Africa and South America that are host to several important base metal provinces including the Central African Copperbelt which includes the Congolese (Katanga) and Zambian Copperbelts. The Lufilian Arc which contains both the Katanga and Zambian

Copperbelts is one of the great metallogenic provinces of the world and contains some of the world's richest deposits of copper and cobalt.

The previous operator of the Kakanda Project, International Panorama Resource Corp., engaged Bateman Minerals & Industrial Limited ("Bateman") in conjunction with Steffen Robertson Kirsten (SRK) and other experts to complete a feasibility study for the Kakanda Project in 1997. The study was completed in October 1997 and concluded that the Kakanda Project was technically feasible and economically viable based on the costs and metal prices prevalent at that time. The historical resource estimate for the study was completed by SRK. SRK estimated the defined tailings resource at 18.4 million tonnes containing 1.22% copper and 0.15% cobalt. The study also delineated a mineable open pit resource of 11.3 million tonnes containing 3.14% copper and 0.19% cobalt. Both of these resources were incorporated in Bateman's operating plan.

Simberi engaged MPH Consulting Limited ("MPH"), to complete an updated technical report in compliance with National Instrument 43-101 ("NI 43-101") on its Kakanda copper-cobalt project. MPH tabled its updated report in the second quarter of 2008 (the report can be viewed in detail on SEDAR) and conclude that the Kakanda project represented a good opportunity to develop a mining operation in a world class copper-cobalt producing region. MPH confirmed that the Kakanda tailings deposits contain leachable copper Indicated Mineral Resources totaling 18.5 million tonnes averaging 1.2% Cu and 0.15% Co and 10.7 million tonnes of inferred resources with a grade of 3.01% Cu and 0.21% Co at the Kakanda North pit. MPH set out a US$4.0 million budget to complete the detailed work on the tailings and bedrock deposits. Simberi is currently planning its strategy and plans connected to the Kakanda project

In the second quarter of 2007, Simberi entered into a definitive agreement with Amari Holdings Ltd ("AMARI") for the development of Simberi's Kakanda Copper/Cobalt project (the "Kakanda Project") in the Democratic Republic of Congo (the "DRC"). On March 7, 2008, Simberi announced the termination of its agreement with Amari as Amari failed to fulfill its obligation with respect to the due diligence completion.

Simberi Continues to evaluate appropriate strategic options to further the development of the Kakanda project.

Title History of Kakanda Project

The Kakanda project is held through New Congo, a wholly owned Canadian subsidiary of Simberi, which owns 100% of PTM Minerals (Caymen) Ltd. PTM through New Congo was purchased by Simberi in late 2005 and 2006. PTM is the corporation that negotiated the original joint venture agreement with Gecamines in 1996 to develop the Kakanda tailings and has maintained the development rights claim through periods of conflict in the DRC. Negotiations are continuing with Gecamines to finalize the joint venture development terms for PTM to commence capital expenditures and initial production at Kakanda.

On August 30, 2008, the DRC Minister of Mines issued a notice under instructions from the Prime Minister directing Gecamines that it has the authority to complete joint venture terms with PTM and 28 other companies that have been identified as valid project sponsors in the DRC. It is believed that this notice has provided greater DRC state priority to complete the Kakanda project.

Key affirmation of PTM's Kakanda rights were verified through a commission to review mining contracts was created by the DRC government on April 20, 2007. It began work in mid-June and was given a period of three months which was extended until the end of October. International press reports based on early drafts of the report indicate the commission finished the technical and legal study of over 60 mining contracts and determined the majority of the contracts needed to be renegotiated or cancelled. These contract reviews included firms such as Boss Mining, CAMEC, Freeport McMoRan Copper, BHP Billiton and Nilanor. The Commission is closely monitored by a world wide coalition of non-governmental organizations and various governments and its final drafts coincided with a visit in late October by President Kabila to Washington to meet with President Bush seeking US assistance and support. It also coincided with work by the Carter Foundation. The Company was active both in the DRC and the US supporting its claims and promoting the final development contract with Gecomine (the state mining company); continuing the work begun in 1996 and reaffirmed by various mining ministers and governments since that time. The Commission timing was relevant to the Company because with the new mining registry system there was confusion with regard to our hard rock concessions which appeared to overlap with a claim by CAMEC and Boss Mining for concession

C19 and Exploration permit 469.The confusion made it difficult for the central registry to transfer clear title for the hard rock properties to Gecomine and the joint venture company between Gecomine and The Company. There has been no such confusion with regard to the tailings deposit under the new registry system. The Commission interviewed us in the third quarter in order to make a recommendation with regard to the hard rock concession dispute. The Commission recognized the Company and prior organizations affiliated with PTM have invested in excess of $10 million in the properties and fulfilled their contractual obligations reflected in the mining study resulting in the 43-101 report. The review Commission acknowledged we have the rights to the concessions in the Gecomine joint venture and Gecomine was encouraged to meet with us as soon as possible to complete the new joint venture agreements for Kakanda North and Kakanda South. In early November the DRC government issued a decree annulling all CAMEC and Boss Mining contracts including the disputed concessions. The government cited Boss Mining in particular violated a DRC Presidential decree dated June 18th 2001 protecting our rights over our concessions, both hard rock and tailings. Gecomine has the titles under the new registry for the tailings and is now free to claim the hard rock titles under the new registry and finalize the terms for final development of the properties under enhanced terms within the joint venture between PTM and Gecomine.

On January 12, 2009 Simberi announced that its wholly owned subsidiary PTM Minerals ("PTM") has signed a Memorandum of Understanding ("MOU") with Generale des Mines ("Gecamines") based on the 1997 agreement that will be the basis to establish a joint venture to exploit the Kakanda tailings deposit. This MOU is in accordance with the government of the Democratic Republic of the Congo Mining Revisitation Program. The MOU allow PTM to be a major shareholder with between 51% and 70% of the project. The final holding will be confirmed after the updating of the feasibility study that is expected to be completed within six (6) months following the signing of this MOU. The New Feasibility Study will also incorporate the additional tailings deposited on the site since the original feasibility study completed in 1997.

Capitalized Exploration Expenditures on the Kakanda project	**Six Months ended**	**Six months ended**
For the three months ended March 31	**30-Jun-09**	**30-Jun-08**
New Congo Property Activity:		
Regulatory fees	2,520	8,322
Travel, meals, accomodation	33,521	26,498
Consulting	0	55,508
Mineral exploration	7,561	
Rent, office and general administrative	25,321	121,159
Legal fees	12,602	110,295
Total expended during the period	81,525	321,782

Australian Projects

Zanthus

The Zanthus project is located in the Dundas Mineral Field in the south-eastern part of Western Australia and covers part of the western margin of the Eucla Basin. The Basin is comprised of flat lying marine and continental sediments of Cretaceous and Tertiary age. Sediments in the project area range from 20 to 80 metres in thickness and overly metamorphosed igneous and sedimentary rocks of the Fraser Range metamorphic complex. Within these sediments are lignite layers up to 20 metres thick that cover an area in excess 50 square kilometres through the project area.

Previous exploration has been completed on the one Exploration License area held by Simberi and has been successful in identifying a deposit of lignite. The information is outlined in an Independent Geologist's Report dated May 16, 2003, and prepared in accordance with NI 43-101 (the "Maynard Report"). The Maynard Report describes the Zanthus project as a potential exploration target and, under the Joint Ore Reserve

Estimation Committee Code, has 400 million tones. However, this is not NI 43-101 compliant. Further evaluation on the Zanthus project is required to become NI 43-101 compliant.

In the third quarter of 2005, the Corporation completed a joint venture agreement with Domo Pty Ltd (“Domo”), pertaining to its Zanthus property. Domo has the opportunity to earn an initial 25% interest in the Zanthus property, with the option to acquire the remaining 75%. To acquire a 100% interest, Domo must incur an initial A$125,000 in expenditures and other financial requirements and A$2.5 million in exploration expenditures over a 4 year period. Simberi will retain a 1% royalty on the project.

In the third quarter of 2006, Domo received a technical JORC report (which is the equivalent to the Canadian NI 43-101 report) dated October 12, 2006. The report was an audit of the lignite resources in the Zanthus Lignite project, and based on the resource data the shallow Lignite deposit should be suitable for extraction by open cut methods as it lies at depths generally between 25m. and 30 m.

On March 24, 2008, the Company announced that the joint venture agreement with Domo regarding the Zanthus project had been revised. In addition to the lignite deposit originally constituting the Zanthus project,Domo and the Company acquired additional exploration ground adjacent to the original Exploration Tenement Following the acquisition, Simberi and Domo incorporated a private company, Zutshan Energy Pty Ltd. (“ZEP”), to hold the exploration license relating to the entire property The Company and Domo own 40% and 60%, respectively, of the outstanding shares of ZEP. In addition, the Company will retain a 1% gross revenue royalty on the entire property.

On June 26, 2008 the Company announced that they and Domo have completed the sale of ZEP to Blackham Resources Limited (“Blackham”). The terms of the transaction are:

(i) Payment of AU$500,000, of which AU$100,000 was paid in cash and the balance of AU$400,000 paid with 363,297 common shares of Blackham;

(ii) Upon determination that the Lignite Project will proceed to commercial production, Blackham will pay to Simberi and Domo an additional $200,000 payable through the issuance of shares of Blackham which shares will be valued based on a five day trading average prior to their issuance;

(iii) Blackham will be entitled to purchase from Simberi, within six months of the determination to proceed to commercial production, the 1% gross revenue royalty which Simberi currently holds in respect of the entire property constituting the Ignite Project;

In addition Simberi and Domo will pay a finder’s fee to an independent third party of AU$25,000, AU$5,000 of which will be payable upon signing the option and the balance upon completion of the purchase.

Mount Sarah and Mount Narlee

In May of 2007 the Company agreed to acquire interest in two resource properties located in Australia. The agreement with Caldera Resources Pty Ltd. (“Caldera”) and Ellendale Resources NL (“Ellendale”) gives the Company the right to earn up to a 60% interest in the Mount Sarah and Mount Narlee projects located in Southern Australia. The terms of the agreement are:

(a) The issuance of an aggregate of 1,500,000 common shares of the Simberi to Caldera and Ellendale;
(b) The Company spending or causing to be expended $CDN 1.25 million on exploration over a three year term and commencing a ground gravity survey on the Mt. Sarah project;
(c) Simberi shall be the operator of the exploration programs
(d) Upon completion of the C$1.25 million expenditure, the joint venture ownership will be:
    a. Renaissance Corporation Ltd 60% (Simberi)
    b. Caldera Resource Pty Ltd 20%
    c. Ellendale Resources NK 20%

Mt. Sarah Project – South Australia

The Mount Sarah joint venture project area is located approximately 70 kilometers north west of Oodnadatta in northern South Australia and consists of one Exploration License Application 2007/00129 (ELA) covering an area of 128 square kilometers.

Mt Sarah is located within the Arckaringa intracratonic basin and close to the eastern margin of the Officer Basin. The sedimentary succession consists of strongly folded Adelaidean (late Proterozoic) deposits and moderately to gently folded rocks of the Cambrian to Devonian. Late Carboniferous to Permian sedimentation is preserved in the Arckaringa Basin. The sediments are largely of continental origin with a characteristic shallow marine to fluvial glacial unit at the base.

The Mt. Sarah Project lies within the significant G2 O'Driscoll structural corridor within the Gawler Craton on the Oodnadatta 1:250,000 map sheet.

The Oodnadatta region was first targeted by Simberi's joint venture partner, Caldera Resources Pty Ltd in 1994 as having potential for basemetal mineralization. An aeromagnetic survey of 400 meter line spacing identified several magnetic features in the basement with characteristics indicating prospectivity for gold/basemetals and particularly Iron Oxide Copper Gold (IOCG) style deposits.

Caldera was granted Exploration License 2958 in 2002 with the main exploration focus on a large magnetic feature that lies within the License area. Caldera carried out Landsat ETM interpretation, along with a geochemical surface sampling program and followed by a shallow drill hole program with the hope of identifying a near surface fault related SEDEX type of mineralization. No results of interest were obtained from these exploration programs and the exploration drive was centred on the magnetic feature and a possible associated gravity anomaly identified from two traverses previously carried out by Caldera.

The geophysical association of coincident gravity and magnetic targets is a typical characteristic of the Olympic Dam and Prominent Hill deposits, which are both located in South Australia.

Mt. Narlee Project – South Australia

The Mt. Narlee joint venture project is located approximately 25 kilometres north west of Oodnadatta in northern South Australia and consists of one Exploration License Application (ELA 2007/00016) covering an area of 822 square kilometres. Mt. Narlee is located within the Arckaringa intracratonic basin and close to the eastern margin of the Officer Basin. The sedimentary succession consists of strongly folded Adelaidean (late Proterozoic) deposits and moderately to gently folded rocks of the Cambrian to Devonian. Late Carboniferous to Permian sedimentation is preserved in the Arckaringa Basin. The sediments are largely of continental origin with a characteristic shallow marine to fluvial glacial unit at the base. The Mt. Narlee Project lies within the significant G2 O'Driscoll structural corridor within the Gawler Craton on the Oodnadatta 1:250,000 map sheet. The Exploration Licence has several magnetic features which all require ground gravity surveys to be completed over these targets to identify possible coincidental gravity responses. There has been no previous exploration carried out at this locality and the Licence area is entirely surrounded by Exploration Licence Applications, made by Barrick Gold of Australia Limited.

During the second quarter Simberi received a preliminary geophysical report on the detailed ground gravity and magnetic surveys of its Mount Sarah project in Australia.

A detailed ground gravity survey on part of the 128 sq. km property was completed to better delineate a previously identified gravity target that is associated with a discrete magnetic anomaly. The magnetic anomaly was selected as a potential target of interest from regional airborne magnetic data.

The coincident gravity and magnetic anomalies at Mt. Sarah are considered to be of high interest and are the typical geophysical responses that are found at the Olympic Dam Deposit, the Prominent Hill Deposit and the more recent Teck Cominco discovery at Carrapateena and which are located in South Australia.

The Olympic Dam deposit discovered in 1975, lies beneath 300-400 metres of cover and is a world class resource of approximately 7 billion tonnes containing 1% copper, 0.5 g/t gold and 400 g/t of uranium within an iron rich rock described as a hematite breccia. The deposit was eventually located by drilling into an intense gravity anomaly of 14 milliGals ("Mgal"). The gravity feature was coincident with a magnetic anomaly in the order of 1000 nanoTesla ("nT") in amplitude. Olympic dam has 7 billion tonnes of resource.

Initial geophysical interpretation of depth to target at Olympic Dam gave substantial over estimates due to lack of data, but with additional and closer spaced information, a more accurate estimate was determined.

In summary, the Mt Sarah magnetic anomaly has an amplitude of 350 nT. Inversion modeling of this anomaly using a cylindrical body yields a good fit between the observed and computed anomalies. Of more significance and importance is the associated intense gravity high of 10 Mgal and which lies on the northern flank of the magnetic anomaly, as shown on the accompanying map. The 10 Mgal response falls within the range of a dense rock type such as a hematite breccia and is therefore considered a priority target. Geophysical modelling using several different shapes, estimates that the top of the feature that is causing the anomaly lies at a depth of 1,000 m to 1,500 m below the surface, however, the depth estimate is likely to change and may be more favourable when additional gravity lines are completed to the north and east of the gravity target. This "closing off' will enable a more accurate depth to top of target to be calculated.

A drill hole is recommended, on this anomaly that exhibits coincident gravity and magnetic anomalies that are similar in geophysical response to the Olympic Dam deposit that is the class type for iron oxide mineralized bodies within the G-2 corridor.
On January 10, 2008 the Company received the Aboriginal Work Clearance Surveys ("Surveys") on both the Mt. Sarah (EL 3924) and Mt. Narlee Properties (EL 3867) in South Australia.

The Surveys were carried out by approved consultants and representatives for the local Native Title Holders in accordance with the regulations. The reports concluded that all of the proposed work areas at Mt. Narlee were cleared for further exploration and all but one of the proposed work areas at Mt. Sarah were cleared for further exploration. The one site at Mt. Sarah was found to be in an area of mythological significance and was not yet cleared for further exploration.

Simberi had set out a total of 12 possible work areas (8 at Mt. Narlee and 4 at Mt. Sarah) for clearance and can now proceed except for the one that is considered to be within areas of cultural significance. This area is considered to be of low geological importance and Simberi is proceeding to undertake further geophysical exploration to delineate drill targets within the high priority work areas.

Lambina

The Lambina Project is located in the north of South Australia and is approximately 450 kilometres south-southeast of Alice Springs. The project comprises of two Exploration Licenses covering an area of 1189 sq. Km. The Licenses are in an area of Mesozoic sediments in the Eromanga Basin with a total thickness not exceeding 500 meters and are at the most northern margin of the Gawler Craton. The outcropping sediments of the Eromanga Basin include claystones and arenites of the Winton and Oodnadatta Formations overlying dark silty claystones, carbonaceous and pyritic shales and quartz sandstones of the Bulldog Shale. The base of the Mesozoic section in the Jurassic Algebuckinna Sandstone; a poorly consolidated quartz sandstone with occasional coal seams at the base.

During the second quarter of 2007 Simberi and its wholly owned subsidiary, Novaking, acquired all of the outstanding shares of SA Drilling Pty Ltd. ("SA Drilling"). SA Drilling held a 100% interest in Lambina. The agreement provided that Novaking acquired the outstanding shares of SA Drilling for the following consideration:

(a) Payment of CDN $50,000 and the issuance of to the vendor of the SA Drilling shares of 750,000 common shares of the Company; and
(b) Payment of a further CDN $50,000 and the issuance to the vendor of an additional 1,000,000 common shares of the Company on the first anniversary of the date of the closing or upon the completion of a joint venture by Novaking with a third party in respect of the Lambina Project, whichever is earlier.

In addition, the agreement also provides that the vendor of the SA Drilling shares will retain a 2% net profit royalty in the production from the Lambina Project after payment back to the Company of all exploration and development costs or, in the event of a joint venture with a third party, the royalty will become immediately payable upon commencement of production.

Previous exploration has been limited to the identification of several strong amplitude magnetic anomalies from regional 400 meter line spaced airborne magnetic programs. These strong basemetal magnetic anomalies were thought to be possible exploration targets for IOCG (iron, oxide, copper, gold) style of mineralization, such as Olympic Dam and Prominent Hill and which are also located in South Australia.

During the second quarter of 2007, the company carried out an extensive ground gravity survey which identified several intense gravity features which are coincident with the magnetic anomalies. This magnetic/gravity association is also considered a favorable factor for IOCG mineralization.

Simberi has set out a total of 10 possible drill sites for clearance and can proceed except for the three that are considered to be within areas of cultural significance. The Company will initiate discussions with local native groups to create an acceptable plan for drilling at the one site that is of cultural sensitivity. The remaining culturally significant sites are secondary and will not be drilled during this phase of the program.

On September 30, 2008 Simberi announced that its wholly owned Lambina property in Australia has been optioned to Raisama Pty Ltd ("Raisama"). This property is located in the Gawler Craton which is the host of the Olympic Dam Copper/Uranium/Gold type deposits in South Australia. Simberi has granted Raisama a Three month option to complete the acquisition of the Lambina project in consideration of Raisama issuing to Simberi $A1 million in ordinary fully paid shares of Raisama and completing a public company listing. This transaction is part of the acquisition by Raisama of a number of high potential uranium properties that form the core for a future public company to be listed on the Australian Stock Exchange. Simberi is enhancing the value in the Lambina property by combining with a larger uranium exploration property portfolio in both South and Western Australia that will be developed by an experienced Australian based management team. In addition to Lambina, another core property already acquired by Raisama is the Sunday Creek property adjacent to the Kintyre uranium property in Western Australia that was recently acquired for $A550 million by Cameco and Mitsubishi. Sunday Creek which has known occurrences of uranium was initially discovered in the late 1970's and has not been the subject of any recent exploration. Interest in prospective uranium properties has increased with the recent election of the Liberal government in Western Australia. The Liberal party campaigned with the policy of lifting a uranium mining ban to allow exploration and development of projects to promote greenhouse gas reduction and the development of cleaner energy sources provided by nuclear energy.

During the six months ended June 30, 2009 Simberi sold SA Drilling to Raisama PTY Ltd. ("Raisama") for total consideration of AU$300,000 (through the issuance of common shares of Raisama). The consideration was paid with an immediate issue of 2,000,000 common shares of Raisama (issued at AU$0.10 per share) and a further 1,000,000 common shares to be issued on the commencement of a drill program on the property by Raisama. These shares are recorded on the balance sheet as financial assets held for trading.

MERLOT

On August 6, 2007 Simberi, through its wholly owned Australian subsidiary Novaking, entered into an Option to Purchase Agreement with Merlot Thoughts Pty Ltd ("Merlot"). The agreement allowed Simberi to purchase an 80% interest in Merlot, which is the holder of an 800 square kilometre property located in Western Australia by completing the following:

(a) An AU$100,000 payment for a six month option period and commitment to an AU$40,000 exploration expenditure to conduct due diligence investigations;
(b) If Simberi elects not to proceed, it will receive a repayment of the tenement fee of AU$40,000;
(c) If Simberi proceeds, it will pay the vendor AU$100,000 and 300,000 common shares of Simberi;
(d) The AU$40,000 expenditure for due diligence will be included in the AU$500,000 exploration commitment to be expended over a three year period from the date of exercise of the option;

On October 6, 2008 Simberi announced is had agreed to purchase the remaining 20% interest in the two Exploration Licenses 100 km east of the town of Laverton that cover approximately 900 sq. km. of the Merlot Project for A$50,000 cash and 1,000,000 common shares of Simberi. The vendor will retain a 2% net profit royalty.

Capitalized Exploration Expenditures for Australian projects

	Mt Sarah	Mt Narlee	Lambina	Merlot	Total
Field Assistant	0	0	0	942	942
Geologist Managing director	0	0	7,709	4,283	11,992
Geochemistry	0	0	0	103	103
Contract geologist	0	0	0	12,600	12,600
Tenement services	343	154	1,242	785	2,524
Mines department	835	5,422	3,327	7,444	17,028
Native title clearance	0	0	0	4,497	4,497
Admin	0	0	0	1,029	1,029
	1,178	5,576	12,278	31,683	50,715
Sale of mineral property			-371,999		-371,999
Balance at December 31, 2008	167,970	111,363	359,721	493,413	1,132,467
Balance at June 30, 2009	169,148	116,939	0	525,096	811,183

5.4 Disclosure of Outstanding Share Data

As at June 30, 2009 the outstanding common shares, options and share purchase warrants are as follows:

Common Shares Issued and Outstanding

Authorized – 500,000,000 common shares

Issued	Number of Shares	Amount
Balance, June 30, 2009	171,711,831	$ 10,628,075

Share capital - refer to note 9 of the June 30, 2009 consolidated financial statements, for further details.

As at June 30, 2009, the Company had the following stock options outstanding:

Black-Scholes Value ($)	Number of Options Outstanding	Exercise Price ($)	Expiry Date	Number of Options Exercisable	Remaining Contractual Life
221,000	4,250,000	$ 0.10	August 24, 2010	4,250,000	1.15
234,000	1,000,000	$ 0.24	January 30, 2011	1,000,000	1.59
5,750	50,000	$ 0.12	August 17, 2011	50,000	2.13
9,726	100,000	$ 0.12	October 10, 2011	100,000	2.28
5,773	100,000	$ 0.10	June 20, 2012	100,000	2.97
12,028	300,000	$ 0.10	March 3, 2013	250,000	3.70
29,198	600,000	$ 0.10	April 22, 2013	400,000	3.81
3,402	200,000	$ 0.10	September 3, 2013	100,000	4.18
47,561	5,100,000	$ 0.10	October 20, 2013	1,700,000	4.31
23,263	2,350,000	$ 0.10	April 21, 2014	0	4.81
591,701	14,050,000			7,950,000	3.18

Stock options - refer to note 9 of the June 30, 2009 consolidated financial statements, for further details.

RISKS AND UNCERTAINTIES

The business of Simberi is subject to a number of risks and uncertainties commensurate with its status as a junior exploration company. In addition to considering the information disclosed in the financial statements and in the other publicly filed documentation regarding the Company available at www.sedar.com, the reader should carefully consider the following information. Any of these risk elements could have material adverse affects on the business of the Company.

Permitting Requirements
The Company is required to obtain certain permits for the construction and operation of the Kakanda project. There is, however, no guarantee as to when or that permits, licenses or consents required by the Company for its business will be granted or renewed as applicable.

Commodity Price Volatility
The price of various commodities which the Company intends to exploit and subsequently market can fluctuate drastically, and is beyond the Company's control. The Company is specifically concerned with the price of Copper and Cobalt. While the Company would benefit from an increase in the value of these metals, the Company could be adversely affected by a decrease in the value of these metals. Were the prices of these metals to descend below the prices used for the determination of the positive study authored by MPH the economic viability of the project could be affected. The details of the pricing can be found in the MPH study which is available within the Company's filings at www.sedar.com.

Title to Mineral Properties
Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed or impugned. Although the Company has investigated its title to the mineral properties for which it holds concessions or mineral leases or licenses, there can be no assurance that the Company has valid title to such mineral properties or that its title thereto will not be challenged or impugned. For example, mineral properties sometimes contain claims or transfer histories that examiners cannot verify; and transfers under foreign law often are complex. The Company does not carry title insurance with respect to its mineral properties. A successful claim that the Company does not have title to a mineral property could cause the Company to lose its rights to mine that property, perhaps without compensation for its prior expenditures relating to the property.

Mineral Exploration and Exploitation

Mineral exploration and exploitation involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, tailings impoundment failures, cave-ins, landslides and the inability to obtain adequate machinery, equipment or labour are some of the risks involved in mineral exploration and exploitation activities. The Company has relied on and may continue to rely on consultants and others for mineral exploration and exploitation expertise. Substantial expenditures are required to establish mineral reserves and resources through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of some properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining, or to upgrade existing infrastructure. There can be no assurance that the funds required to exploit any mineral reserves and resources discovered by the Company will be obtained on a timely basis or at all. The economics of exploiting mineral reserves and resources discovered by the Company are affected by many factors, many outside the control of the Company, including the cost of operations, variations in the grade of ore mined and metals recovered, price fluctuations in the metal markets, costs of processing equipment, and other factors such as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. There can be no assurance that the Company's mineral exploration and exploitation activities will be successful.

Country Risk

Political and Economic Instability

The Company's mineral exploration and exploitation activities may be adversely affected by political instability and legal and economic uncertainty in the countries where the Company has operations. The risks associated with the Company's foreign operations may include political unrest, labour disputes, invalidation of governmental orders and permits, corruption, war, civil disturbances and terrorist actions, arbitrary changes in laws, regulations and policies, taxation, price controls, exchange controls, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental or other non-governmental organizations, limitations on foreign ownership, limitations on the repatriation of earnings, limitations on mineral exports and increased financing costs. These risks may limit or disrupt the Company's projects or operations, restrict the movement of funds or result in the deprivation of contractual rights. The Company presently holds assets in the DRC, which it considers to be a medium risk with reference to the above stipulated potential risks, and while it does not foresee country risk as being problematic, the country risk is out of the control of the Company. The Democratic Republic of Congo does not adhere to Canadian financial standards; however, they are in the process of modernizing its mining code and registry standards.

Uninsurable Risks

Mineral exploration and exploitation activities involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences and political and social instability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could negatively affect the Company's profitability and financial position and the value of the common shares of the Company. The Company does not maintain insurance against environmental risks.

Environmental Regulation and Liability

The Company's activities are subject to laws and regulations controlling not only mineral exploration and exploitation activities themselves but also the possible effects of such activities upon the environment. Environmental legislation may change and make the mining and processing of ore uneconomic or result in significant environmental or reclamation costs. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mineral exploitation activities, such as seepage from tailings disposal areas that could result in environmental pollution. A breach of environmental legislation may result in the imposition of fines and penalties or the suspension or closure of operations. In addition, certain types of operations require the submission of environmental impact statements and approval thereof by government authorities.

Environmental legislation is evolving in a manner which may mean 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 directors, officers and employees. Permits from a variety of regulatory authorities are required for many aspects of mineral exploitation activities, including closure and reclamation. Future environmental legislation could cause additional expense, capital expenditures, restrictions, liabilities and delays in the development of the Company's properties, the extent of which cannot be predicted. In the context of environmental permits, including the approval of closure and reclamation plans, the Company must comply with standards and laws and regulations which may entail costs and delays depending on the nature of the activity to be permitted and how stringently the regulations are implemented by the permitting authority. The Company does not maintain environmental liability insurance.

Regulations and Permits

The Company's activities are subject to wide variety of laws and regulations governing health and worker safety, employment standards, waste disposal, protection of the environment, protection of historic and archaeological sites, mine development and protection of endangered and protected species and other matters. The Company is required to have a wide variety of permits from governmental and regulatory authorities to carry out its activities. These permits relate to virtually every aspect of the Company's exploration and exploitation activities. Changes in these laws and regulations or changes in their enforcement or interpretation could result in changes in legal requirements or in the terms of the Company's permits that could have a significant adverse impact on the Company's existing or future operations or projects. Obtaining permits can be a complex, time-consuming process. There can be no assurance that the Company will be able to obtain the necessary permits on acceptable terms, in a timely manner or at all.

The costs and delays associated with obtaining permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from continuing or proceeding with existing or future operations or projects. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities.

Currency Fluctuations
Currency fluctuations may affect costs at the Company’s operations.

Dependence on Key Employees
The Company’s business and operations are dependent on retaining the services of a small number of key employees. The success of the Company is, and will continue to be, to a significant extent, dependent on the expertise and experience of these employees. The loss of one or more of these employees could have a materially adverse effect on the Company. The Company does not maintain insurance on any of its key employees.

Potential Dilution
The issue of common shares of the Company upon the exercise of the options and warrants will dilute the ownership interest of the Company’s current shareholders. The Company may also issue additional option and warrants or additional common shares from time to time in the future. If it does so, the ownership interest of the Company’s then current shareholders could also be diluted.

Disclosure Controls and Procedures
Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Corporation's President and Chief Executive Officer and Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure.

As at the end of the period covered by this management's discussion and analysis, management of the Corporation, with the participation of the President and Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the Corporation's disclosure controls and procedures as required by Canadian securities laws. Based on that evaluation, the President and Chief Executive Officer and the Chief Financial Officer have concluded that, as of the end of the period covered by this management's discussion and analysis, the disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the Corporation's annual filings and interim filings (as such terms are defined under Multilateral Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings) and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws and that material information is accumulated and communicated to management of the Corporation, including the President and Chief Executive Officer and the Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Simberi’s business is exploring for mineral resources that involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The Corporation attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Corporation will be profitable in the future, and Simberi common shares should be considered speculative.

There can be no assurance that any funding required by the Corporation will become available to it, and if so, that it will be offered on reasonable terms, or that the Corporation will be able to secure such funding through third party financing or cost sharing arrangements. Furthermore, there is no assurance that the Corporation will be able to secure new mineral properties or projects, or that they can be secured on competitive terms.

Internal Control Risks

The Chief Executive Officer and Chief Financial Officer ("CFO") are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's consolidated financial statements for external purposes in accordance with Canadian GAAP. The design of the Company's internal control over financial reporting was assessed as of the date of this Management Discussion and Analysis.

Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed, as-well as the fact that the DRC does not adhere to Canadian financial standards and does not have a functional banking system. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could threaten the Company's financial viability, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and work load will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial reports, the integrity and reputation of senior accounting personnel, and candid risk assessment and discussion with the audit committee.

Additional Information

Additional information relating to the Corporation is available on the Internet at the SEDAR website located at www.sedar.com and at www.simbeimining.com.

Forward-Looking Statements

This Management's Discussion and Analysis of Financial Conditions and Results of Operations contains certain forward-looking statements. All statements other than statements of historical fact that address activities, events or developments that the Corporation believes, expects or anticipates will or may occur in the future are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "contemplate", "target", "believe", "plan", "estimate", "expect" and "intend" and statements that an event or result "may", "will", "can", "should", "could" or "might" occur or be achieved and other similar expressions. These statements are based upon certain assumptions and analyses made by management in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believes re appropriate in the circumstances. However, whether actual results and developments will conform with management's expectations is subject to a number of risks and uncertainties, including the considerations discussed herein and in other documents filed from time to time by the Corporation with Canadian security regulatory authorities, general economic, market or business conditions, the opportunities (or lack thereof) that may be presented to and pursued by management, competitive actions by other companies, changes in laws or regulations and other factors, many of which are beyond the Corporation's control. These factors may cause the actual results of the Corporation to differ materially from those discussed in the forward-looking statements and there can be no assurance that the actual results or developments anticipated by management will be realized or, even if substantially realized, that they will have the expected results on Simberi Mining Corporation. All of the forward-looking statements made herein are qualified by the foregoing cautionary statements. The Company expressly disclaims any obligation to update or revise any such forward-looking statements.