



Annual Management Discussion and Analysis¹
For
NORTHISLE COPPER AND GOLD INC.

Containing Information up to and including April 19, 2012

OVERALL PERFORMANCE

Northisle Copper and Gold Inc. ("Northisle" or the "Company") is a mineral exploration company that was incorporated on August 3, 2011 in the Province of British Columbia, Canada. The Company's principal business activity is the exploration and development of its North Island Project on Vancouver Island. Its head office is located at Suite 2050 – 1111 West Georgia Street, Vancouver, B.C. The Company's common shares trade on the TSX Venture Exchange under the symbol NCX.

Highlights during the period include:

- On October 17, 2011, Western Copper Corp. completed a plan of arrangement involving itself, Copper North Mining Corp., and the Company. Pursuant to the arrangement, Western Copper Corp. transferred the North Island Project and \$2.5 million in cash to the Company in consideration for common shares of the Company.
- An Induced Polarization (IP) Survey carried out on the eastern Rupert Block of the North Island Project located two induced polarization chargeability anomalies.
- Drilling at the Company's Hushumu deposit on Vancouver Island extended the copper-gold-molybdenum mineralization for at least 200 metres southeast of the boundary of the 2005 historical resource.
- On March 2, 2012, the Company completed a brokered private placement by issuing 4,285,700 flow-through shares at \$0.35 per share for gross proceeds of \$1.5 million.

ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Company prepares its financial statements in accordance with generally accepted accounting principles as defined in the Handbook of the Canadian Institute of Chartered Accountants ("CICA Handbook"). In 2010, the CICA Handbook was revised to incorporate International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and to require publicly accountable enterprises to apply these standards effective for years beginning on or after January 1, 2011. Accordingly, the consolidated financial statements have been prepared in accordance with IFRS and interpretations of the International Financial Reporting Interpretations Committee.

SELECTED ANNUAL INFORMATION

The following table summarizes selected financial data for Northisle from the time of incorporation on August 3, 2011 to December 31, 2011. This information should be read in conjunction with the consolidated audited financial statements, prepared in accordance with IFRS, and related notes.

¹ Note to Reader

This Annual Management Discussion and Analysis ("Interim MD&A") should be read in conjunction with the Company's audited financial statements for the period ended December 31, 2011.

Forward-Looking Information

When used in this document, words like "anticipate", "believe", "estimate" and "expect" and similar expressions are intended to identify forward-looking statements. Such statements are used to describe management's future plans, objects and goals for the Company, and therefore, involve inherent risks and uncertainties. The reader is cautioned that actual results, performance or achievements may be materially different from those implied or expressed in such statements.

Currency - Unless otherwise stated, all currency amounts are stated in Canadian dollars.

	2011
Total Revenue	\$ Nil
Net Loss and Comprehensive Loss	400,153
Basic and diluted loss per share	0.02
Total Assets	17,053,341
Total Long-term Liabilities	Nil
Cash Dividends per share	Nil
Number of Shares issued and outstanding	46,501,283

Net Loss is expected to fluctuate from year-to-year primarily due to the activity level of the Company's exploration projects, the strength of equity markets and the Company's ability to finance on favourable terms.

RESULTS OF OPERATIONS

Period from incorporation on August 3, 2011 to December 31, 2011

The Company's loss for the period from August 3, 2011 to December 31, 2011 ("the **Current Period**") was \$400,153. The results were largely influenced by management's decision to initiate a \$1.5 million exploration program at the Company's North Island Project in British Columbia.

At the end of the Current Period, the Company had options outstanding entitling holders to purchase up to 3,886,834 shares of the Company's stock at exercise prices ranging from \$0.04 to \$0.30. As some of the outstanding options vested during the Current Period, \$150,105 was recorded as share-based compensation expense. Share-based compensation expense is a non-cash expense and in the Current Period accounted for 38% of all expenses.

The Company capitalizes all acquisition and exploration costs until the property to which those costs relate is placed into production, sold or abandoned. During the Current Period the Company spent \$311,079 to develop its North Island Project.

Three Months Ended December 31, 2011

Due to the limited history of the Company, no significant differences existed between results for the three months ended December 31, 2011 and the Current Period discussed above.

CORPORATE DEVELOPMENT

Western Copper Plan of Arrangement

On October 17, 2011, Western Copper Corp. ("**Western Copper**") completed a plan of arrangement (the "**Arrangement**") involving Western Copper and two of its subsidiaries: Copper North Mining Corp. ("**Copper North**") and the Company. Pursuant to the Arrangement, Western Copper transferred the North Island Project and \$2.5 million in cash to the Company in consideration for common shares of the Company. Western Copper then changed its name to Western Copper and Gold ("**Western**") and distributed the common shares of the Company to Western shareholders.

For each common share of Western Copper held as at October 17, 2011, each shareholder of Western Copper received one common share of Western, 0.5 of a common share of Copper North and 0.5 of a share of the Company. On October 17, 2011, the Company issued 46,501,281 common shares to Western Copper in exchange for the North Island Project and \$2.5 million in cash.

Holders of outstanding Western Copper warrants ("**Warrants**") immediately prior to October 17, 2011 will receive, upon exercise of each such Warrant at the same original exercise price and in accordance with the terms of such Warrant, one common share of Western, 0.5 of a common share of Copper North, and 0.5 of a common share of the Company. The Company will receive 10% of the proceeds from each Warrant exercised.

Each Western Copper share purchase option outstanding on October 17, 2011 ("**Old Option**") was exchanged for one Western share purchase option, 0.5 of a Company share purchase option ("**New Option**"), and 0.5 of a Copper North share purchase option. The exercise price of a New Option is equal to that of an Old Option less the exercise price allocated to the Western and Copper North share purchase options. Other than the exercise price, the New Options have the same terms as the Old Options. The share purchase options granted by the Company as part of the

Arrangement vested immediately. The expiry dates remained the same as the Old Options unless the share purchase option holder does not participate in the Company, in which case the stock options expire on October 17, 2012.

The Company recorded the assets transferred pursuant to the Arrangement at Western Copper's carrying value on the date of the transaction.

Assets Transferred

Cash	\$ 2,500,000
North Island Project	14,553,117
Total	\$ 17,053,117

EXPLORATION UPDATE

North Island Project

The North Island Project is an advanced exploration project containing the Hushamu Deposit and five other partially explored mineral occurrences of porphyry and related deposit types containing copper-gold-molybdenum-rhenium situated along the "Northern Island Copper Belt" on Vancouver Island, British Columbia. This Project is situated about 29 km from the reclaimed BHP Island Copper Mine.

Geology

The North Island Project hosts porphyry copper-gold mineralization directly related to mesozonal to epizonal intrusions that vary widely in composition and tectonic settings. British Columbia examples include Island Copper, Galore Creek and Kemess while important worldwide deposits include Ok Tedi, Bingham Canyon and Grasberg. These deposits are typically located in orogenic belts at convergent plate boundaries and are associated with subduction-related magmatism.

The core of the systems is comprised of potassic alteration mineral assemblages including potassium feldspar, biotite, magnetite, and locally, anhydrite, diopside and garnet. The cores of the systems commonly host the strongest copper-gold mineralization as chalcopyrite and bornite. Peripheral to the potassic core are large zones of propylitic alteration consisting of albite, chlorite, epidote, calcite, diopside, actinolite and pyrite.

Hushamu Deposit

The Hushamu porphyry deposit was extensively drilled in the 1970s and 1980s and contains a historical resource of copper and gold with appreciable molybdenum and rhenium (based on partial analytical results). Northisle is in the process of updating the Hushamu resource to bring it to current status. In addition to revising the geological model, historical core has been analysed for rhenium and, where missing, molybdenum which will be included in an updated resource estimate.

The historical resource is outlined in the table below.

	M Tonnes	Resource Grade		Contained Metal		
		Copper %	Gold g/t	Cu Eq %	Copper B lb	Gold M oz
Measured	39	0.29	0.31	0.49	0.3	0.4
Indicated	192	0.27	0.31	0.47	1.1	1.9
M + I	231	0.27	0.31	0.47	1.4	2.3
Inferred	53	0.28	0.38	0.52	0.3	0.6

A qualified person has not done sufficient work to classify the historic estimate as current mineral resources and Northisle is not treating the historical estimate as current mineral resources. Total copper Cut-off: 0.20% Cu. Eq

Metal prices: US\$0.80/lb copper, US\$350/oz gold - No discount for metallurgical recovery in contained metal figures.

Recent exploration carried out by the Company, including re-logging of historical core and re-interpretation of the geology, shows the Hushamu deposit remains open to the north and south. A drill program is planned to test for extensions of the mineralization in these directions with approximately 4,000 metres in 10 to 12 holes.

2011-2012 Exploration Program

In August 2011 the Company initiated a \$1.5 million exploration program which includes:

- Updating the resource model of the Hushamu Deposit.
- Resampling and analysis of the historic core for molybdenum and rhenium.
- Test for extensions of Hushamu deposit with 4,000m of drilling.
- 100 km of IP geophysical surveying to test several areas of the property.

Induced Polarization Survey

An Induced Polarization (IP) Survey carried out on the eastern Rupert Block of the North Island Project located two induced polarization chargeability anomalies (as defined by greater than 3 times background) in areas of extensive glacial sedimentary cover. The Rupert Block is located approximately 40 kilometres from the Hushamu Property where the Company is conducting a 4,000m drill program.

The first anomaly is 800 metres wide, remains open to the west, and is 300m wide on the closest line located 1000m to the east. Historical drill holes located on the far northern flank of this anomaly intersected silicified, chloritically and pyrite altered volcanic rocks. The second anomaly occurs on three lines spaced one kilometre apart and remains open to the north on all of the lines.

The IP Survey on the Rupert Block represents approximately 25% of the full program of IP Survey designed to evaluate previously untested magnetic anomalies covered by recent glacial deposits. The remainder of the IP Survey is currently underway and will initially focus on exploring for areas of potential porphyry copper mineralization immediately northwest of the Hushamu Deposit. This is a 4 by 2 km area of limited bed rock exposures containing a series of previously untested magnetic and copper-in-soil anomalies.

Drilling Program

Drilling at the Company's Hushamu deposit on Vancouver Island has extended the copper-gold-molybdenum mineralization for at least 200 metres southeast of the boundary of the 2005 historical resource. The mineralization remains open to the southeast. Results of the three holes drilled on the south margin of the deposit will be released when assays have been received and compiled. The drill has now been moved to the North to test the still open northern margin of the deposit.

Results of the recent drill holes is summarized in the following table.

Hole	Dip	From metres	To metres	Interval metres	Copper %	Gold gpt	Moly %	Rhenium gpt	Copper equiv. %
H12-01*	-70	100	323.2	223.2	0.19	0.26	0.013	1.13	0.43*
H12-02	-70	37.3	64.3	27	0.11	0.29	0.004	0.29	0.32
H12-03*	-70	182	254	72	0.16	0.13	0.021	1.27	0.36
		427	485.1	60.1	0.28	0.38	0.100	0.52	0.58*
H12-04	-65	232.5	485	252.5	0.21	0.33	0.100	0.75	0.47
<i>including</i>		269.8	419	149.2	0.25	0.39	0.013	0.96	0.57
H12-05	-70	75	238.5	163.5	0.25	0.22	0.011	0.91	0.45
<i>including</i>		104	140	36	0.42	0.78	0.008	0.46	0.97
<i>including</i>		158	238.5	80.5	0.26	0.44	0.013	1.08	0.61

Copper equivalent metal prices US\$2.50 copper, US\$1100 gold and US\$14 molybdenum. No discount for metallurgical recovery used in calculation. Rhenium not used in calculating copper equivalence.

**Holes lost in mineralization*

Intervals reported are core lengths

Drill holes H12-01, H12-02, H12-04 and H12-05 tested the southeastern extension of the Hushamu deposit, the drill holes show that the copper-gold-molybdenum mineralization is present beneath a 50 to 100 metre of leached rock and that historical holes had been stopped short or in the upper part of the mineralization. Copper-gold and molybdenum mineralization remains open southeast of drill-hole H12-01 and H12-02. The nearest historical drill-hole to the southeast lies nearly 200 metres to the east. This historical hole is a shallow angle hole that may not have fully penetrated the leach cap. Additional step out and infill drilling of the extension of the mineralization will be part of a second phase of drilling planned for later this year.

Drill-hole H12-03 was drilled to confirm the southern extension of copper-gold-molybdenum mineralization between two widely spaced drill holes on the southern boundary of the historical resource.

The results of the initial drilling indicate the presence of significant amounts of both molybdenum and rhenium associated with the copper and gold mineralization. Rhenium is a metal used to increase the melting temperature of stainless steel. Its current market price is US\$4 to \$5 per gram. Neither of these two metals is included in the now historical 2005 resource calculation. These metals will be included in the next resource calculation to be carried out later in the year.

Analysis of core samples was carried out at ALS Group's North Vancouver facility. Gold analysis was by fire assay methods with atomic absorption finish. Analysis for copper, molybdenum and rhenium was by four acid digestion with ICP finish. QA / QC included insertion of standards and blanks in to the sample stream and duplicate samples on quartered core. Five percent of sample pulps were sent to Acme Analytical Laboratories Ltd for check analysis.

Quality Control

Information in this Annual MD&A is being prepared under the direction of John McClintock, P.Eng., President and CEO the Company and a Qualified Person as defined by National Instrument (NI) 43-101.

RISKS AND UNCERTAINTIES

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many risks common to such enterprises, including under-capitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects when required. Although the Company has been successful in the past in obtaining financing through the sale of equity securities or joint ventures, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

Some of the Company's property interests are located in remote, undeveloped areas and the availability of infrastructure such as surface access, skilled labour, fuel and power at an economic cost, cannot be assured. These are integral requirements for exploration, development and production facilities on mineral properties. Power may need to be generated on site.

At times, the Company is required to rely on air transport for the supply of goods, personnel and services. Air transport is very susceptible to disruptions due to adverse weather conditions, resulting in unavoidable delays in planned programs and/or cost overruns.

The mineral industry is intensely competitive in all its phases. Northisle competes with many other mineral exploration companies who have greater financial resources and technical capacity.

Market conditions for resource commodities are recovering after a period of recent low prices and may result in a dramatic increase in mineral exploration investment and activity. While inflation has not been a significant factor affecting the cost of goods and services in recent years, this renewed exploration activity has resulted in a shortage of experienced technical staff, and heavy demand for drillers, geophysical surveying crews and other goods and services needed by the exploration community.

It is difficult at this stage to quantify the effect of increased demand for the goods and services used in the Company's exploration programs, but cost increases during the upcoming field season could be higher than the rate of inflation prevailing in other sectors of the economy. Exploration companies can also expect to experience difficulty in scheduling drilling contracts, airborne geophysical surveys and other services that are key components of early stage exploration programs.

Mineral exploration is a speculative venture. There is no certainty that the money spent on exploration and development will result in the discovery of an economic ore body. There is no assurance that the Company's exploration activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be related to the success of its exploration programs, which may be affected by a number of factors that are beyond the control of the Company.

The market price of precious metals and other minerals is volatile and cannot be controlled.

The purchase of securities of the Company involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in securities of the Company should not constitute a major portion of an investor's portfolio.

In recent years securities markets have experienced extremes in price and volume volatility. The market price of securities of many early stage companies, among others, have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any market for the Company's shares will be subject to market trends generally and the value of the Company's shares on the TSX Venture Exchange may be affected by such volatility.

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

Although the Company has exercised due diligence with respect to determining title to the properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. Third parties may have valid claims underlying portions of the Company's interests. Its claims, permits or tenures may be subject to prior unregistered agreements or transfers or native land claims. Title to the claims, permits or tenures comprising the Company's properties may also be affected by undetected defects. If a title defect exists, it is possible that the Company may lose all or part of its interest in the property to which such defect relates.

The Company's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas that could result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for non-compliance are more stringent.

The Company's directors and officers serve as directors or officers, or may be associated with other reporting companies or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. If a conflict of interest arises, the Company will follow the provisions of the Business Corporations Act (British Columbia) dealing with conflicts of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his interest and refrain from voting on the matter unless otherwise permitted by the Business Corporations Act (British Columbia). The directors and officers of the Company are required to act honestly, in good faith and in the best interests of the Company.

FORWARD-LOOKING STATEMENTS

This MD&A contains forward-looking statements about the Company's future prospects, and the Company provides no assurance that actual results will meet management's expectations. All statements in this MD&A, other than statements of historical fact, that address exploration drilling, exploitation activities and events or developments that

the Company expects to occur in the future, are forward looking statements. Forward looking statements are not guarantees of future performance and actual results may differ materially. Forward-looking statements included or incorporated by reference in this document include, without limitation, statements with respect to:

- The Company's assumptions and estimates used in its drill results, as well as the potential resource estimates and interpretations from those results;
- The progress, potential and uncertainties of the Company's drill programs;
- Expectations regarding the ability to raise capital and to continue its exploration and development plans on its properties; and
- The Company's adoption of IFRS.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to:

- fluctuations in the currency markets;
- fluctuations in the prices of minerals and other commodities;
- changes in government legislation, taxation, controls, regulations and political or economic developments in Canada or other countries in which the Company may carry on business in the future;
- risks associated with mining activities;
- the speculative nature of exploration, including the risk of obtaining necessary licenses and permits, and quantities or grades of reserves;
- the nature of mineral exploration and mining and the uncertain commercial viability of certain mineral deposits;
- the Company's lack of operating revenues; and
- the Company's ability to obtain necessary financing to fund the development of its mineral properties or the completion of further exploration programs.

This is not an exhaustive list of the factors that may affect the Company's forward-looking statements. Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. Readers are cautioned that forward-looking statements are not guarantees of future performance.

SUMMARY OF QUARTERLY RESULTS

The following table sets out selected unaudited quarterly financial information of Northisle and is derived from unaudited quarterly financial statements prepared by management. Northisle's interim financial statements are prepared in accordance with IFRS.

Quarter ended	Revenue	Net Loss	Basic and diluted Loss per share
December 31, 2011	\$ 3,196	\$ 373,403	\$ 0.01
September 30, 2011	Nil	26,750	26,750

Quarterly results will vary in accordance with the Company's exploration and financing activities.

Mineral exploration is typically a seasonal business, and accordingly, the Company's administrative expenses and cash requirements will fluctuate depending upon the season. The Company's primary source of funding is through the issuance of share capital. When the capital markets are depressed, the Company's activity level normally declines accordingly. As capital markets strengthen and the Company is able to secure equity financing with favourable terms, the Company's activity levels and the size and scope of planned exploration projects will also increase.

Another factor that affects the Company's reported quarterly results are write-downs of capitalized mineral property interests. At the end of each reporting period, the Company reviews the carrying amounts of its mineral property

costs to determine whether those assets have suffered an impairment. The size and timing of these impairments cannot typically be predicted.

Other factors that affect the Company's reported quarterly results are share-based compensation expense associated with the issuance of share purchase options and write-downs of capitalized mineral property interests. At the end of each reporting period, the Company reviews the carrying amounts of its mineral property costs to determine whether those assets have suffered an impairment. The size and timing of these impairments cannot typically be predicted.

LIQUIDITY

The Company's working capital at December 31, 2011 was \$1,839,532. The Company's principal investing activities were the expenditures incurred on its Island Copper Gold Project in British Columbia (\$311,079).

CAPITAL RESOURCES

The Company has no operations that generate cash flow and its long term financial success is dependent on management's ability to discover and develop economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control.

In order to finance the Company's exploration and development programs and to cover administrative and overhead expenses, the Company raises money through equity sales and from the exercise of convertible securities. Although the Company has been successful in the past in obtaining financing, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the company's track record and the experience and caliber of its management.

The Company currently has sufficient financial resources to meet its administrative overhead expenses for the next 12 months and is confident it can raise additional funds to undertake all of its planned exploration and development activities. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration and development activity. Management believes it will be able to raise capital as required in the long term, but recognize there will be risks involved that may be beyond their control.

On March 2, 2012, the Company completed a brokered private placement by issuing 4,285,700 flow-through shares at \$0.35 per share for gross proceeds of \$1.5 million. The Company paid a commission of 6.5% of the gross proceeds and issued 278,570 broker warrants exercisable at \$0.35 until September 2, 2013.

At April 19, 2012 the Company had 3,886,834 stock options outstanding which, if exercised, would increase the Company's available cash by approximately \$820,000. (see also "Additional Disclosure – Outstanding Share Data").

TRANSACTIONS WITH RELATED PARTIES

Some of the Company's administrative and geological operations are carried out indirectly through Ravenwolf Management Inc, a private company in which the Northisle has a 33.3% interest. At December 31, 2011 the Company owed Ravenwolf \$47,409. Services provided by Ravenwolf for the period ending December 31, 2011 are detailed in the following table.

	<u>2011</u>
Mineral property costs	30,261
Office	8,813
Rent	17,060
Salaries	83,524
<hr/>	
Total	<hr/> 139,658

These transactions were measured at the exchange amounts agreed to by the parties.

Remuneration for directors and key management personnel for the period ending December 31, 2011 are detailed in the following table.

	2011
Salaries	95,747
Share-based compensation	86,766
	182,513

Share-based compensation is the fair value of options granted to directors and key management personnel which was recognized during the period.

FINANCIAL AND OTHER INSTRUMENTS

At present, the Company's most significant financial instruments are cash, accounts receivable, and accounts payable. The recorded amount of these financial instruments approximate their fair value.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning Northisle's general and administrative expenses are provided in the Company's Consolidated Financial Statements for the period from incorporation on August 3, 2011 to December 31, 2011 that is available on Northisle's website at www.northisle.ca or on its SEDAR Page Site accessed through www.sedar.com.

Outstanding Share Data

The Company is authorized to issue an unlimited number of common shares without nominal or par value. As at April 19, 2012 there were 50,939,483 common shares issued and outstanding.

Stock Options

As at April 19, 2012, the following stock options are outstanding:

Share purchase options outstanding, by exercise price	Number Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)	Number Exercisable (Vested)
\$0.04 - \$0.22	2,004,334	\$0.14	2.05	2,004,334
\$0.30	1,730,000	\$0.30	4.65	576,666
	3,734,334	\$0.21	3.25	2,733,500

Share Purchase Warrants

As at April 19, 2012, the following warrants are outstanding:

Expiry Date	Number Outstanding	Exercise Price
September 2, 2013	278,570	0.35

In addition to the above, holders of outstanding Western Copper warrants ("Warrants") immediately prior to October 17, 2011 are entitled to receive, upon exercise of each such Warrant at the same original exercise price and in accordance with the terms of such Warrant, one common share of Western, 0.5 of a common share of Copper North, and 0.5 of a common share of the Company. The Company is entitled to receive 10% of the proceeds from each Warrant exercised. At April 19, 2012 there were 6,847,750 Warrants outstanding with a weighted average exercise price of \$3.22 and a weighted average remaining contractual life of 0.96 years. See also Western Copper Plan of Arrangement.

APPROVAL

The Board of Directors of Northisle has approved the disclosure contained in this Annual MD&A. A copy of this Annual MD&A will be provided to anyone who requests it.

ADDITIONAL INFORMATION

Additional information is available for viewing at the Company's website www.northisle.ca or on the sedar website www.sedar.com.