ABACUS MINING & EXPLORATION CORP.

Management Discussion & Analysis

FORM 51-102F1

For the Period Ending

September 30, 2009

(Amended and Restated)

The following management discussion and analysis of the financial position of Abacus Mining & Exploration Corp. ("Abacus" or the "Company") and results of operations of the Company should be read in conjunction with the unaudited financial statements for the periods ending September 30, 2009 and 2008 and the audited financial statements including the notes thereto for the year ended December 31, 2008.

The accompanying unaudited financial statements and related notes are presented in accordance with Canadian generally accepted accounting principles. These statements, together with the following management's discussion and analysis dated December 3, 2009 amending the original management and discussion and analysis dated November 20, 2009 ("Report Date"), are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as forward-looking statements relating to the potential future performance. The information in the MD&A may contain forward-looking statements.

Additional information relating to the Company may be found on SEDAR at *www.sedar.com*.

Amendment

This management discussion and analysis for the period ending September 30, 2009 has been amended to provide additional disclosure regarding the Company's amended and restated interim financial statements results of operations, quarterly results, liquidity position, related party transactions, changes in accounting policies, and transition plan to International Financial Reporting Standards.

The interim financial statements for the three and nine-month period ended September 30, 2009 have been amended and restated from the interim financial statements for the same period filed on November 24, 2009 to adjust the value of the 13,500,000 common shares issued during 2005 and 2006 for mineral interests pursuant to an Asset Purchase Agreement entered into on November 25, 2005 for the Afton property. The amendment is a reduction to the value assigned to the 13,500,000 shares issued from $1 per share to the fair value of the shares on their respective issuance dates. The result is to reduce the book value of each of mineral interests and capital stock by $6,505,000 as at September 30, 2009 and December 31, 2008.

Overall Performance

Abacus Mining & Exploration Corp. (the "Company") is a mineral exploration and development company engaged in the acquisition, exploration and development of mineral resource properties. The Company is a Tier One issuer that trades on the TSX Venture Exchange under the symbol AME. As at the date hereof, the Company holds a 100% interest in six mineral resource properties in the Afton Mine Camp ("Afton") near Kamloops, British Columbia. The Company also holds the right to earn a 100% interest in mining infrastructure and related permits in the Afton area.

Activity of the Company is generally dependent on the sources of capital and access to funding in the capital markets. While the Company has maintained an aggressive approach to the exploration program at Afton, events in the financial and commodity markets in the latter part of fiscal 2008 has had a significant impact on the activity and performance of the Company.

Exploration at Afton focused on the Ajax area where $1,913,716 of the $2,114,979 in exploration expenditures in 2009 was allocated. Exploration related expenses are anticipated to rise in the fourth quarter as the Company has planned additional exploration and geotechnical drilling to provide for prefeasibility studies, also expected to commence in the fourth quarter, subject to project financing. In total, the Company has spent $44,529,399 on the Afton properties, including $19,015,980 on the Ajax ground and $16,444,163 on various assets within the Afton camp.
In April, the Company completed a $2,500,000 loan with Maxtech Ventures Inc. (“Maxtech”). The term of the loan agreement is for a period of one year bearing an interest rate of 12% per annum, compounded monthly. The loan may be repaid at any time after a six month period without penalty. Pursuant to TSX Venture Exchange policies, the Company issued the lender 1,250,000 shares at a fair value of $0.10 per share and finder's fee of $125,000. Subsequent to the period ended September 30, 2009, Company has repaid $605,117 to Maxtech.

In June 2009, the Company released a National Instrument 43-101 ("NI 43-101") compliant study completed by Wardrop, a Tetra Tech Company ("Wardrop"), containing production parameters, capital costs, operating costs, and other financial projections for an open pit mine processing 60,000 tonnes of mill feed per day. The metal prices used for the base case were US $2.00 per pound copper and US $700 per ounce gold.

Base Case Highlights (All figures in US dollars and pre-tax)

- Net present value of $192.7 million discounted at 8%
- Return on initial capital expenditures of $535 million is 40.4%
- Average life of mine cash costs of $1.17 per pound copper net of gold credit at $700 per ounce
- Average annual production estimated at 106 million pounds of copper and 99,400 ounces of gold in concentrate
- Mine life of approximately 23 years
- The pit inventory resource contains 2.6 billion pounds of copper and 2.4 million ounces of gold in the measured and indicated category

Ajax Resource Estimate

	Cutoff NSR ($/t)	Tonnes (Mt)	Cu (%)	Au (g/t)	NSR* ($/t)	Contained Metal Cu (M lb)	Contained Metal Au (Koz)
Measured	**3.84**	231	0.29	0.18	11.32	1,454.8	1,300
Indicated	**3.84**	193	0.27	0.18	10.93	1,153.6	1,100
Measured + Indicated	**3.84**	424	0.28	0.18	11.14	2,608.4	2,400

Inferred	**3.84**	78	0.21	0.15	8.28	357.5	400

**NSR based on metal prices of $2.00/lb Cu and $700 /oz Au, at a copper recovery of Cu Rec=32.591xCu(%)+72.732, max 92%, and gold recovery of Au Rec=33.871xAu(g/t)+75.29, max 90% . These were the metal recoveries developed during the preparation of the PEA.*

In the study, approximately 15.5% of the mineral resources in the mine production plan are classified as inferred. Mineral resources are not mineral reserves and do not have demonstrated economic viability. There are no known environmental, permitting, legal, title, taxation, socio-political, marketing or other relevant issues which may materially affect the mineral resource.

On July 13, 2009, the Company announced that it signed Option to Purchase Agreements ("Option Agreements") with subsidiaries of Teck Resources Limited - Afton Operating Corporation and Surgarloaf Ranches Limited (collectively "Teck") to acquire approximately 6,000 acres of land around the Company's Afton Ajax deposit.

Under the terms of the Option Agreements the Company will pay an aggregate of $100,000 (paid) to Teck for the options and will then have two years to elect to exercise the options, or have the right to extend the exercise period of the options by an additional one year by making further option payments to Teck of an additional $100,000. The exercise price of the options is $2,500 per acre, exercisable at any time during the two year period, less amounts paid to Teck for the options.

Results of Operations

Activities of the Company for the nine month period ending September 30, 2009 focused on continued engineering work based on the results of the Company's PEA, announced June 22nd, 2009. In-house engineering studies, commissioned to potentially refine and improve the economics of the PEA, will be incorporated into the Prefeasibility study that is planned to commence in December. Geological mapping and sampling also took place.

The total cost for the acquisition, exploration and engineering work for the nine month period ended September 30, 3009 total $2,114,979. Of this amount, $846,721 was allocated to the PEA, $383,596 in contract wages stemming from exploration work on the mineral properties, $208,642 for work related to Prefeasibility studies, $133,323 for camp support costs and field supplies, and $198,416 for acquisition costs related to legal costs associated with the Teck Agreement amendments and $100,000 option payment related to the Afton Ajax Deposit.

For the quarter ending September 30, 2009, $624,866 was spent on exploration work on the Company's property. Of this amount, $106,859 was allocated to the PEA, $94,181 in contract wages for exploration work on the properties, $208,642 for work related to prefeasibility studies, $21,961 on camp support costs and field supplies, and $152,142 in acquisition costs as discussed above. Consistent with the nine month period, most of the Company's exploration activities were focused on engineering level studies with minor field work completed.

The level of exploration and engineering in both the three and nine month periods ending September 30, 2009 represent a significant reduction when compared to the same periods for 2008. At the nine month period ending September 30, 2008, $8,817,026 had been spent on the Afton properties, whereas $2,114,979 has been spent on the Afton properties during the nine month period ended September 30, 2009. The significant difference between the two periods is two-fold: the Company had a very active drill program in 2008 where $5,446,187 was spent drilling the Ajax portions of the Afton properties, and in 2009 the Company is progressing through various levels of economic studies largely based on the work completed in 2008. The amount of drilling completed in 2008 is not contemplated for the remainder of 2009 or in 2010.

Administrative costs during the three and nine month periods ending September 30, 2009 total $729,480 and $2,073,029, respectively. While the nine month period ending September 30th, 2009 represents an 8.7% increase over the same period in 2008 ($1,906,934), costs increased by over the three month period by 14.9% ($634,676).

Contract wages, consulting fees, office costs, travel costs were down, as the overall corporate activity of the Company was lower. For the nine-month period ending September 30th, 2009, contract wages ($390,798) were 37% lower than in the same period in 2008 ($615,454) as some office staff were either laid off or utilized less. Consulting fees of $344,695 were also significantly less than in 2008 ($592,105) given the level of corporate activity and the Company relied more on in-house expertise. The aforementioned cost items had a similar reduction during the three month periods.

Legal, rent, and investor relations costs increased significantly over the nine month period. Legal costs ($93,907) associated with the Maxtech loan and the land acquisition agreement with Teck Ltd. represent a 92% increase over the same period in 2008 ($48,839). Rent increased significantly ($73,042 in 2009 versus $41,454 in 2008) as the Company subsidizes apartment space as per one of its employment contract and per the agreed annual increase in its tenancy agreement. Investor relations cost increased as the Company attempted to get investor exposure through different mediums of advertising.

Legal, rent and investor relations costs over the three-month period had increases similar to the nine-month period. Legal costs were particularly higher ($17,031 in 2009 versus $6,718) as the Company was nearing completion of structuring its land acquisition agreement with Teck Ltd. Investor relations costs ($17,472 in 2009 versus $13,813 in 2008) were also higher as the Company used various forms of advertising and promotion for the results the recently completed PEA.

Stock based compensation costs over the nine month period ending 2009 were higher as the Company announced that it repriced 1,000,000 incentive stock options to $0.14 on April 24th, and the vesting of options granted in 2008 in 2009 as well as stock-based compensation for 3.27 million options granted during 2009.

Interest charges have also been significant in comparison to the previous period. Since the Maxtech loan was secured on April 1, 2009, the Company has accrued $278,741 that includes $156,183 in accrued interest and an accretion of $122,558 stemming from finders fees and bonus shares in connection with the loan agreement. The Company did not have a loan payable during the 2008 year.

The Company currently has no funds invested in Guaranteed Investment Certificates (GICs) and has no exposure to Asset Backed Commercial Paper.

The Company does not expect to claim any significant BC METC for 2009 as funds expended were provided by flow-through financings.

Afton Properties, Kamloops, B.C.

The Company holds a 100% interest in 41 mineral claims and 31 Crown grants in the vicinity of the past producing Afton mine. The properties were purchased from Afton Operating Corporation and Teck Cominco, and from Discovery-Corp. Enterprises Inc. on the Rainbow portion of the claims. The Company has an asset purchase agreement with Teck Cominco Limited ("Teck Cominco") to acquire the mill buildings, shop facilities, tailings dam, associated land, permits and back-in rights at the past producing Afton mine. Under the terms of the agreement with Teck Cominco, the Company will acquire the assets for a total price of $28.5-million by issuing 18.5 million shares and paying $10-million cash. The Company has issued 13.5 million shares to Teck Cominco and has paid $8.0 million cash. The remaining cash payment and shares due on or before November 26, 2007, have been extended to July 31, 2010.

Upon completion of all share issuances and cash payments, Teck Cominco will transfer title (the "Transfer Date") to the assets to the Company, subject to any additional consideration. The final consideration is subject to a price adjustment clause. If the ten day weighted average closing price of the Company's common shares issued to Teck Cominco, is less than $18,500,000, the Company will pay Teck Cominco additional consideration equal to 81.1% of the difference between $18,500,000 and the weighted average closing price of the Company's common shares. Any reclamation liabilities that may be attributable to the assets acquired will be assessed and recorded on the transfer date.

Teck Cominco has retained 1.5-per-cent net smelter royalty with respect to each of the Rainbow and DM/Audra agreements, which can be purchased for $3-million per agreement.

The Company also holds a an interest in 20 mineral claims surrounding the Ajax pits pursuant to an Option Agreement (the "Agreement") with New Gold Inc. Under the terms of the Agreement, the Company must incur $2.5 million in exploration expenditures (completed) and deliver a PEA by July 25, 2010 (delivered). Upon delivery of the PEA, New Gold has 90 days to establish a joint venture where the Company would hold a 60% interest in, and be the operator of, any open pit operation (to a maximum pit depth not exceeding 500 metres), while New Gold would retain a 40%.

On November 9, 2009, the Company announced it received notice from New Gold that New Gold has elected not to establish a joint venture and will retain a 10% Net Profits Interest in any open pit operation not exceeding 500 metres. New Gold maintains a right to establish a joint venture, and be the operator of, any underground operation that is below the 500 metre level.

Summary of Quarterly Results

The selected information set out below has been gathered from the previous eight quarterly financial statements for each respective financial period and is based on Canadian GAAP (in Canadian dollars):

	Revenue $	Income (Loss) $	Income (Loss) per share $
September 30, 2009	**Nil**	**(729,480)**	**(0.01)**
June 30, 2009	Nil	(1,019,718)	(0.01)
March 31, 2009	Nil	(573,537)	(0.01)
December 31, 2008	Nil	215,792	0.01
September 30, 2008	Nil	(675,006)	(0.01)
June 30, 2008	Nil	(848,303)	(0.01)
March 31, 2008	Nil	(501,365)	(0.01)
December 31, 2007	Nil	686,825	0.01

Fluctuations in the Company's expenditures reflect the seasonal variations of exploration and the ability of the Company to raise capital for its projects. During the periods ending December 31, 2007 December 31, 2008, and September 30, 2009 future income tax recovery adjustments of $1,081,359, $950,859 and $363,772 were incurred, respectively. While the Company incurred operating costs comparable to other periods, the offsetting income tax recovery charges resulted in income amounts of $686,825, $215,792, and net loss $729,480, also respectively. Additionally, quarterly periods ending in June and September are generally higher as overall corporate activity increases with respect to promotional, travel and investor relations.

The significant loss in the second quarter ending June 30, 2009 primarily stems from interest charges incurred from the loan agreement with Maxtech which was in effect April 1, 2009, and significant stock based compensation charges (a non-cash expense). During the second quarter stock based compensation costs associated with the vesting of 840,000 stock options granted on February 20, 2009, 3,000,000 stock options on March 3, 2009, 2,030,000 stock options granted on June 26, 2009, and repricing 1,000,000 stock options from $0.43 to $0.14 (announced April 24, 2009) were applied. Stock based compensation costs are calculated using Black-Scholes option pricing model.

Liquidity

At September 30, 2009, the Company has working capital of $37,998 (2008 - $3,456,200 working capital), and an accumulated deficit of $26,911,211 (2008 - $25,184,177). The Company anticipates that it will have a working capital deficiency subsequent to the period ending September 30, 2009, and is currently investigating a number of possibilities to continue paying its creditors and operate its normal course of business. Specifically, the Company will actively seek prospective investors in the capital markets for equity based funding. Alternatively, the Company will seek to engage strategic partners (producing mid-tier and senior mining companies) to structure an equity style offering or some other form of strategic investment in the Company. The Company anticipates that the likelihood of either event is high given the favourable response to Company efforts made to date.

The $2,500,000 loan payable to Maxtech will be repaid through application with the BC Provincial Government under the Mineral Exploration Tax Credit program in the amount of $3,172,201. Subsequent to the period ended September 30, 2009, Company has repaid $605,117 to Maxtech. The Company expects that the remaining funds will be received prior to the loan maturity date of

April 1, 2010.

At September 30, 2009, the Company has 124,302,609 shares outstanding and share capital of $66,321,149. As at the date hereof, the Company still has 124,302,609 shares outstanding and a share capital of $66,321,149.

As at September 30, 2009, the Company also had the following share purchase warrants and incentive stock options available for exercise:

Warrants

Outstanding as at December 31, 2008	Exercise Price	Expiry Date	Issued	Exercised	Expired	Outstanding as at September 30, 2009
535,254	$1.25	January 3, 2009	0	0	(535,254)	0
5,756,332	$0.50	March 10, 2010	0	0	0	5,756,332
760,246	$0.30	March 10, 2010	0	0	0	760,246
7,051,832			0	0	(535,254)	6,516,578

Options

Options Outstanding		
Number of Options	Exercise Price	Expiry Date
1,450,000	$0.32	October 23, 2009*
800,000	$0.28	March 4, 2010
500,000	$0.34	May 20, 2010
1,935,000	$0.90	April 7, 2011
400,000	$0.65	March 15, 2012
485,000	$0.45	January 11, 2013
925,000	$0.45	February 1, 2013
1,000,000	$0.14	May 5, 2013
1,650,000	$0.26	August 29, 2013
840,000	$0.15	February 20, 2014
300,000	$0.10	March 3, 2014

2,030,000	$0.20	June 29, 2014
100,000	$0.25	September 30, 2009
12,415,000		

*Expired unexercised subsequent to September 30, 2009.

Outstanding obligations include rent of office space, which is in the third year of a six-year lease ending March 31, 2013. The cost of the premises is shared primarily between the Company and four other companies. The Company's proportionate share of minimum annual rental payments under this arrangement is approximately payable as follows: 2009 - $5,910, 2010 - $25,858, 2011 - $26,597, 2012 - $26,597 and 2013 - $6,649.

Capital Resources

The Company's primary capital assets are mineral property assets. The company capitalizes all costs related to the mineral properties until the properties are abandoned and written-off.

The Company's Asset purchase agreement with Teck Cominco is a binding purchase and sale agreement whereby the company must issue 18,500,000 shares and pay $10,000,000 over a two year period. To date, the Company has issued 13,500,000 shares and paid $8,000,000. The remaining 5,000,000 shares and $2,000,000 payable to Teck Cominco were due November 26, 2007.
By mutual consent the parties have agreed to postpone the payment until July 31, 2010.

Transactions with Related Parties

(a) The Company conducts the majority of its exploration activities through an exploration services contractor in which a director, Mr .Doug Fulcher, is a principal. The Company paid that contractor $1,310,880 (2008 - $7,997,555) for exploration costs, $269,737 (2008 - $852,181) to reimburse office and administrative costs, $7,293 (2008 - $32,363) for equipment purchased and contract wages of $390,798 (2008 - $615,454). As at September 30, 2009, there was $706,662 (2008 - $460,899) payable to that contractor.

(b) A management fee of $nil (2008 - $1,500) and rent of $nil (2008 -$3,014) were paid to a company in which a director, Mr. Doug Fulcher is a principal. As at September 30, 2009, there was $nil (2008 - $nil) due to that company and included in accounts payable.

(c) The Company shares office and administrative costs with a company with two directors, Mr. Doug Fulcher and Mr. Michael McInnis, in common. As at September 30, 2009, $2,146 (December 31, 2008 - $2,146) was due from this company and included in amounts receivable.

(d) Consulting fees of $198,394 (2008 - $67,500) were paid to Mr. Archie Nesbitt, Mr.

Tom McKeever, Mr. Louis Montpellier, Mr. Victor Lazarovici, and Mr. Mike McInnis, all of whom are directors of the Company. As at September 30, 2009, $160,356 (2008 - $34,894) was payable to these directors.

All advances to and amounts due from (to) related parties have repayment terms similar to the Company's other accounts receivable (payable) and are without interest. All of the above transactions and balances are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. There are no ongoing contractual or other commitments resulting from the above-mentioned related party transactions.

Proposed Transactions

There are no proposed transactions that will materially affect the performance of the Company.

Third Quarter Adjustments

Significant adjustments include the adjustment for stock based compensation of costs $265,382.

Outstanding Share Capital

As at November 20, 2009, the Company had the following common shares, stock options and warrants outstanding:

Common shares	124,302,609
Stock options	10,965,000
Warrants	6,516,578
Fully Diluted shares outstanding	141,784,187

Disclosure Controls and Internal Controls Over Financial Reporting

The Company's President & Chief Executive Officer (CEO) and Chief Financial Officer (CFO) are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company.

In accordance with the requirements of Multilateral Instrument 52-109, Certification and Disclosure in the Company's annual and interim filings, evaluations of the design and operating effectiveness of disclosure controls and procedures and the design effectiveness of internal control over financial reporting were carried out under the supervision of the CEO and CFO as of the end of the period covered by this report.

The CEO and CFO have concluded that the design and operation of disclosure controls and procedures were adequate and effective to provide reasonable assurance that material information relating the Company would have been known to them and by others within those entities. The CEO and CFO have also concluded that the Company's internal controls over financial reporting are designed effectively, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

While there were no changes that occurred for the most recent fiscal period that have materially affected the Company's internal control procedures, the CEO and CFO will continue to attempt to identify areas to improve controls and intend to incorporate such improvement over the next fiscal period.

International Financial Reporting Standards ("IFRS")

In February 2008, the Accounting Standards Board of the CICA confirmed that IFRS will replace Canadian GAAP for publicly accountable enterprises for fiscal years beginning on or after January 1, 2011. As a result, the conversion from Canadian GAAP to IFRS will be applicable to the Company's reporting for the first quarter of fiscal 2011 for which current and comparative information will be prepared on an IFRS basis. In light of these requirements, the Company has developed an IFRS transition project plan.

The policy plan for transition is as follows:

Policy development and implementation policy decisions IFRS

Transition goal: Identify differences in relevant Canadian GAAP and 1m accounting policies, selection of ongoing IFRS policies, selection of IFRS first-time adoption of IFRS choices, development of new financial statement format.

Status: We have identified the differences between accounting policies under Canadian GAAP jn accounting policy choices under IFRS and are in the process of selecting accounting policies under IFRS.

Infrastructure modifications

Transition goal: Staff trained in IFRS requirements and new Global policies. Ensure accounting software selection, ledger accounts used and reporting procedures are sufficient to meet requirements of IFRS policy and reporting.

Status: Key employees and officers have been trained. Additional training for management, Board and other stakeholders will be ongoing throughout the convergence period.

Business activities and contracts

Transition goal: IFRS compliant financing contracts and other contractual arrangements, which extend past January 1, 2010. Contract modifications and re-negotiations completed as necessary.

Status: A review of contracts is planned to start in the next three months. Management is considering IFRS implications in current business negotiations.

Subsequent Event

On October 2, 2009, the Company received $605,117 plus $36,808 interest pursuant to its application for the BC METC refund for 2007.

Other Requirements

Additional disclosure of the Company's technical reports, material change reports, news releases, and other information can be obtained on SEDAR.

Risks and Uncertainties

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, metal prices, political and economical.

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

The Company has no significant source of operating cash flow and no revenues from operations. None of the Company's mineral properties currently have reserves. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish ore reserves.

The property interests owned by the Company, or in which it has an option to earn an interest are in the exploration stages only, are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, which are explored, are ultimately developed into producing mines. Exploration of the Company's mineral exploration may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

Changes in accounting policies including initial adoption

Effective January 1, 2009, the Company adopted the following standards of the Canadian Institute of Chartered Accountants (“CICA”) Handbook:

Amendments to Section 1400 – Going Concern

The Company implemented CICA Handbook section 1400 (General Standards of Financial Statement Presentation). Section 1400 was amended to include requirements to assess and disclose an entity's ability to continue as a going concern. When financial statements are not prepared on a going concern basis, that fact shall be disclosed together with the basis on which the financial statements are prepared and the reason why the company is not considered a going concern. The Company’s accounting policies were already in accordance with the requirement of the amended section and there was no effect on the Company’s financial statements.

Future accounting changes

(i) 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 use IFRS, replacing Canada's own GAAP. The effective date for the Company is for interim and annual financial statements relating to the Company’s 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 December 31, 2010. 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.

Cautionary Notices

The Company’s financial statements for the period ended September 30, 2009, and this accompanying MD&A contain statements that constitute “forward-looking statements” within the meaning of National Instrument 51-102, *Continuous Disclosure Obligations* of the Canadian Securities Administrators. Forward-looking statements often, but not always, are identified by the use of words such as “seek”, “anticipate”, “believe”, “plan”, “estimate”, “expect”, “targeting” and “intend” and statements that an event or result “may”, “will”, “should”, “could”, or “might” occur or be achieved and other similar expressions. Forward-looking statements in this MD&A include statements regarding the Company’s future exploration plans and expenditures, the satisfaction of rights and performance of obligations under agreements to which the Company is a part, the ability of the Company to hire and retain employees and consultants and estimated administrative assessment and other expenses. The forward-looking statements that are contained in this MD&A involve a number of risks and uncertainties. As a consequence, actual results might differ materially from results forecast or suggested in these forward-looking statements. Some of these risks and uncertainties are identified under the heading “RISKS AND UNCERTAINTIES” in this MD&A. Additional information regarding these factors and other important factors that could cause results to differ materially may be referred to as part of particular forward-looking statements. The forward-looking statements are qualified in their entirety by reference to the important factors discussed under the heading “RISKS AND UNCERTAINTIES” and to those that may be discussed as part of particular forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that could cause the actual results to differ include market prices, exploration success, continued availability of capital and financing, inability to obtain required regulatory approvals and general market conditions. These statements are based on a number of assumptions, including assumptions regarding general market conditions, the timing and receipt of regulatory approvals, the ability of the Company and other relevant parties to satisfy regulatory requirements, the availability of financing for proposed transactions and programs on reasonable terms and the ability of third-party service providers to deliver services in a timely manner. Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

On Behalf of the Board,
ABACUS MINING & EXPLORATION CORP.

“Doug Fulcher”

Doug Fulcher
President