



SOLTORO LTD.

**MANAGEMENT DISCUSSION AND ANALYSIS
FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE PERIOD ENDED SEPTEMBER 30th, 2007**

This Management Discussion and Analysis ("MD&A") reviews the financial condition and results of operations of Soltoro Ltd. ("Soltoro" or the "Company") for the three and nine months ended September 30, 2007. The MD&A was prepared as of November 22, 2007 and should be read in conjunction with the unaudited consolidated financial statements for the three and nine months ended September 30, 2007, including the notes thereto, and the audited consolidated financial statements for the period ending December 31, 2006 including the notes thereto and the related MD&A. These financial statements, which were prepared in conformity with Canadian generally accepted accounting principles and are expressed in Canadian dollars unless otherwise indicated, are filed on SEDAR at www.sedar.com, where additional disclosure relating to the Company can also be located.

All statements, other than of historical fact, included therein, including without limitation, statements regarding potential mineralization, reserves and exploration results and future plans and objectives of the Company are forward looking statements and involve various risks and uncertainties, which are detailed in the Section "Risk Factors" of this MD&A. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements.

1. OVERVIEW

Soltoro Ltd. ("the Company") is a mineral exploration company listed on the TSX Venture Exchange as a Tier 2 company and trading under the stock symbol "SOL". The Company is a development stage company and is primarily engaged in the business of exploration and development of mineral resources in Mexico through its 100% owned subsidiary, Soltoro S.A. de C.V. ("Soltoro Mexico"). Soltoro Mexico holds interests in properties hosting primarily gold, silver and copper mineralization. All of Soltoro's properties are located in Mexico. None of Soltoro Mexico's properties are currently in production.

2. MINERAL PROPERTIES

The main focus of the Company's exploration efforts to date has been in south-western Mexico in the state of Jalisco. Management has secured in excess of 50,000 hectares of titled concessions and concessions under application in Jalisco state comprised of the El Rayo, La Tortuga, Quila, Victoria, Midas and Coyote projects. Soltoro Mexico also holds title to the Bacanora project in Sonora state, the Gavilan prospect in Queretaro state and the El Santuario prospect in Hidalgo state. The Company has property under application in the states of San Luis Potosi and Chihuahua. The Company controls over 100,000 hectares of titled property and concessions under application in Mexico.

El Rayo Silver/Lead/Gold Project

The El Rayo exploration project is located adjacent to the town of Guachinango in the state of Jalisco, Mexico. Two concessions covering a total 10,036 hectares make up the project consisting of the 3,848 hectare “El Rayo” and 6,188 hectare “Guachinango 1” concessions. Soltoro Mexico owns 100% title interest to the El Rayo concession with no outstanding interests or payments due. On November 24, 2006, Soltoro Mexico acquired a 100% interest to the “Guachinango 1” property from Fury Explorations Ltd. A total of US\$30,000 and 50,000 common shares of Soltoro Ltd. were paid to Fury and its subsidiary to conclude the purchase of the property and to acquire a data library including an Aerodat airborne geophysical survey completed in 1997. Soltoro granted Fury’s Mexican subsidiary a 2% Net Smelter Return royalty. Soltoro retained the right to repurchase 1.5% of the Net Smelter Return royalty for US\$1,500,000. Advance royalty payments of US\$25,000 and US\$50,000 are due on the first and second anniversaries, respectively, of the signing date of the agreement. Failure to make either payment will result in the property reverting to Fury.

The El Rayo project is located within a geological window to the Sierra Madre formation through the neo-volcanic plateau in central south-western Mexico. There is good access to the property as it is situated near a main highway, and a paved road to the town of Guachinango intercepts the main historically mined zone on the property. The entire El Rayo property was deemed a National Mineral Reserve (NMR) in the 1970’s. Within the property 14 historic underground mines have been located to date along three separate structures. The Catarina mine began operating in 1545 with the majority of the mining activity to date taking place at the beginning of the 19th century.

Beginning in the late 1970’s, the government geologic agency (CRM) carried out extensive work programs on the property at the previously producing Catarina, El Rayo, Matachines and Las Bolas mines pursuant to which they reported a 7 million ounce silver resource consisting of 1,346,072 tonnes grading 169 gpt silver. The CRM resource is considered historical and non NI 43-101 compliant.

The Company is investigating the property for the potential to host a bulk mineable silver-lead deposit with gold and copper credits. Three mineralized structures have been identified to date: the El Rayo, Las Bolas and Ocote structures. In January 2007, the Company began a 3 phase orientation diamond drill program to test: 1) regional targets along the Ocote structure which had previously never been drilled; 2) targets along the Las Bolas and El Rayo structures within the historic CRM resource area; and 3) airborne geophysical targets identified from the Aerodat data. Drilling at the Las Bolas zone presented core recovery problems in mineralized areas. In May 2007, the Company changed drill contractors, which brought an improvement to core recoveries. The Company believes future drilling at Las Bolas will benefit from improved sample recovery.

In August of 2007, the Company ended the orientation drill program with a total of 5,530 metres drilled. The program expanded the mineralized strike length beyond the historic resource area to the north-west and north-east. Trenching and drilling has identified a new precious metals system (primarily gold) north-west along the El Rayo structure and a continuation of the silver-lead mineralization along the north-east Las Bolas structure.

1) Regional Ocote targets: In January and February of 2007, six diamond drill holes were completed along the Ocote structure totaling 969 metres. The Ocote structure had never previously been drill tested and extends over 5 kilometres with five 19th century underground mines located to date along its extent. Drilling below two of the historic mines was completed;

four holes drilled below the Nueva Suerte mine and two holes below the Ocote mine. One hole drilled below the historic Nueva Suerte mine encountered, at 73 metres depth, 3.55 metres grading 3.55 gpt gold, 28 gpt silver, 2.96% lead and 1% zinc and, at a depth of 105 metres, an intercept of 3.45 metres grading 0.31 gpt gold, 54 gpt silver, 5.22% lead and 2.96% zinc. In June 2007 a seventh drill hole of 161 metres was completed to test along strike from the San Rafael mine. No significant mineralization was intercepted.

2) **CRM resource area targets:** Historical underground mining of high grade material was on average mined over 2 to 4 metre widths along the Las Bolas and El Rayo structures. Soltoro underground sampling at the Las Bolas mine returned 5.5 metres of 409 gpt silver with 8.1% lead. Drill results from these structures were returned as follows:

Las Bolas Structure	Drill Hole:	From	To	Metres	Silver gpt
Las Bolas Mine area	Ray-07-07	38.7	62.2	23.5	86
	including	38.7	51	12.3	117
Las Bolas Mine area	Ray-07-08	49.95	60.65	10.7	75
	including	56.25	59.1	2.85	105
Las Bolas Mine area	Ray-07-09	38.05	50.05	12	117
	including	41.25	48.95	7.7	137
Las Bolas Mine area	Ray-07-10	50	61.45	11.45	63
	including	50	56.95	6.95	74
250m SW of Las Bolas Mine area	Ray-07-11	49.05	84.15	35.1	92
	including	60.5	72.2	11.7	134
250m SW of Las Bolas Mine area	Ray-07-12	58.45	87.25	28.8	107
	including	71.3	76.95	5.65	191
100m NE of Matachines Mine area	Ray-07-13	34.45	56.2	21.75	59
	including	35.9	43.6	7.7	87
200m NE of Matachines Mine area	Ray-07-14	39.35	58.3	18.95	92
Matachines Mine area	Ray-07-16	75.1	82.05	6.95	39
Matachines Mine area	Ray-07-17	81.75	95.45	13.7	37
El Rayo Structure	Drill Hole:	From	To	Metres	Silver gpt
Aguacero area	Ray-07-19	20.1	23.55	3.45	103
Catarina Mine area	Ray-07-22	76.05	96.05	20	73
	including	93	96.05	3.05	188
Tepeguaje Mine area	Ray-07-23	142.5	180	37.5	134
	including	145.5	157.5	12	269
Tepeguaje Mine area	Ray-07-24	127.5	138	10.5	41
Catarina / Tepeguaje area	Ray-07-25	108	112.5	4.5	112
Catarina / Tepeguaje area	Ray-07-26	129	141	12	34

These results confirmed the potential to increase the historic resource and justified future resource drilling in these areas. In June 2007, a contractor was hired to carry out a topographical survey over the Las Bolas and El Rayo structures in anticipation of a resource definition drill program. In addition, permits were obtained from the appropriate state agencies for the construction of further access roads and drill pads on the property. In late July and early August trenching and drilling in previously undrilled areas was completed to test for mineralized extensions north-west on the El Rayo structure and north-east along the Las Bolas structure.

El Rayo North West Structure:

In June and July 2007, a trenching program was completed along the El Rayo portion of the El Rayo – Catarina structure. 23 new trenches were sampled in addition to the original road cut sampling (referred to here as trench 24) that was conducted earlier in the year. The trenching program has identified a new gold zone 825m long. The most significant results reported from the trenching program are presented in the table below and include a silver equivalent value based on a silver to gold ratio of 55:1 (US\$660 and \$12.00 for gold and silver respectively):

Trench #	Location	Sample Type	Width Metres	Gold gpt	Silver gpt	Lead %	Silver equiv. gpt*
24	200M NW El Rayo Mine**	Surface-stwk	29.6	1.87	4	0.3	107
24		Including	17.6	2.8	4	0.2	158
22	150M NW El Rayo Mine	Surface-stwk	4	2.4	7	0.3	139
21	100M NW El Rayo Mine El Rayo Mine	Surface-stwk	5.6	0.18	21	2.5	31
18		Surface-stwk	2	1.39	5	0.05	81
17	30M SW El Rayo Mine	Surface-stwk	1.4	0.9	1	0.03	51
16	50M SW El Rayo Mine	Surface-stwk	5.9	1.39	17	0.2	93
15	100M SW El Rayo Mine	Surface-stwk	12	5.17	60	0.8	343
14	120M SW El Rayo Mine	Surface-stwk	1.8	1.23	50	0.34	118
12	150M SW El Rayo Mine	Surface-stwk	5.1	7.53	18	0.2	432
11	200M SW El Rayo Mine	Surface-stwk	2	1.44	15	4.2	94
8	30M NE Gavilan Mine	Surface-stwk	1.3	0.8	30	0.92	74
7	Gavilan Mine	Surface-stwk	6.3	3.21	29	0.9	205
6	30M SW Gavilan Mine	Surface-stwk	5.4	4.29	43	3	279
5	60M SW Gavilan Mine	Surface-stwk	3.8	1.27	49	4.5	119
4	100M SW Gavilan Mine	Surface-stwk	3.9	1.59	23	0.65	110
3	130M SW Gavilan Mine	Surface-stwk	4	0.84	53	0.7	99
2	140M SW Gavilan Mine	Surface-stwk	14.1	1.06	22	0.24	80

Four drill holes were completed from 3 separate locations along the 825 metre gold zone. Drill holes 34 and 35 were completed outside of the known resource area in an area that had never previously been drill tested. The most significant results reported from these 4 holes are presented in the table below and include a silver equivalent value based on a silver to gold ratio of 55:1 (US \$660 and \$12.00 for gold and silver respectively):

El Rayo Structure Location	Drill Hole:	From:	To:	Width Metres	Gold Gpt	Silver gpt	Lead %	Silver Eq. gpt*
200m NW El Rayo Mine (testing trench 24)	Ray-07-35 including	64.5	102	37.5	1.78	31	0.3	130
		70.5	76.5	6	6.08	10	0.4	344
150m NW El Rayo Mine (testing trench 24)	Ray-07-34 including	55.5	70.5	15	1.56	9	0.13	95
		55.5	60	4.5	3.98	11	0.21	230
100m SW El Rayo Mine (testing trench 15)	Ray-07-33 Ray-07-33	43.5	46.5	3	2.38	129	1.13	260
		57	60	3	1.09	35	1.16	95
Gavilan Mine (testing trench 7)	Ray-07-29 Ray-07-29	57	58.5	1.5	0.99	63	0.28	117
		84	93	9	0.41	80	0.91	103

*Lead values not included in the silver equivalent calculation, metallurgical recoveries & net smelter returns are assumed to be 100%

Las Bolas North East Structure:

Drilling and trenching along the north east extension of the 800 metres Las Bolas structure has extended the mineralized strike length of the structure an additional 900 metres for a total strike length of 1,700 metres. One trench was completed at the Ernesto mine and returned the following result:

Trench #	Location	Sample Type	Width Metres	Silver gpt	Lead %
1	Ernesto Mine	Surface-stwk	10	90	3.8

In August 2007, an additional 207 metres of drilling over 2 holes was completed at the Arturo and Ernesto mines north-east of the Las Bolas mine. The Arturo and Ernesto mines are outside of the known resource area and had previously never been drill tested. Results were returned as follows:

Las Bolas Structure Location	Drill Hole:	From:	To:	Width Metres	Silver gpt	Lead %
Arturo Mine	Ray-07-38	64.5	84	19.5	187	0.13
Ernesto Mine	Ray-07-37	43.5	58.5	15	23	0.06

3) *Airborne Geophysical targets:* The Company engaged Fugro Airborne Surveys Corp. to reprocess the 1997 airborne geophysical survey purchased from Fury and hired a third party consultant to re-interpret the data. A total of 14 high priority geophysical targets were identified. The Company completed a total 981 metres of drilling in 4 drill holes to test 4 separate anomalies. Two of these holes were abandoned due to swelling clay in fault zones which would not permit the drill to continue to depth. It is considered that these clay rich faults were the reason for the geophysical anomaly.

Diatreme zone: Drill hole 28 tested the centre of a 700 metre long by almost 400 metre wide magnetic low 1,150 metres north of the Catarina mine, situated between the El Rayo and Las Bolas structures. This area has never been prospected, mined or drill tested as it is covered by overburden for the most part. The hole intercepted what is believed to be an intrusive matrix diatreme from 12 metres to 467 metres and terminated without exiting diatreme material. Drill hole 28 returned anomalous gold and silver values as follows:

Airborne Geophysical Target Location	Drill Hole:	From:	To:	Width Metres	Gold gpt	Silver gpt
Anomaly 25 1150m N of Catarina Mine	Ray-07-28	126	127.5	1.5	0.44	7

Detailed mapping and sampling programs on the diatreme and the El Rayo gold zone, including a topographic survey, are in progress. The Company is reviewing and compiling data prior to designing a resource definition drill program at El Rayo and new work in several other areas such as the Diatreme zone. In late August of 2007 the diamond drill was moved to Sonora State to drill test Soltoro's Bacanora gold property during the rainy season. A percussion drill is being sourced to carry out the resource definition program.

La Tortuga Copper/Gold Porphyry Project

The La Tortuga project is located in the State of Jalisco approximately a 3 hour drive south-west of Guadalajara by paved highway and dirt road. A large portion of the property formed part of the National Mine Reserve in Jalisco before denationalization in 1993. The property is hosted in a geological window of the Sierra Madre Occidental volcanic arc that has been overlain by the Trans-Mexican Volcanic Belt in the surrounding areas of Jalisco. In May 2006, the Company completed a National Instrument 43-101 compliant report on the property which was filed with the TSX Venture Exchange in August of 2006. Soltoro Mexico receipted title to 4 concessions and staked an additional concession. Titled concessions and concessions under application comprising the La Tortuga Project cover a total of 14,331 hectares. Soltoro Mexico holds a 100% interest in the titled concessions and was the sole applicant for those under application.

On August 21, 2007, Soltoro signed a letter of intent with SMM Exploration Corporation optioning La Tortuga. SMM Exploration Corporation is a subsidiary of Sumitomo Metal Mining Co., Ltd, (“Sumitomo”) one of Japan’s leading copper mining and manufacturing companies.

Under the terms of the letter of intent, Sumitomo may earn a 51% interest in the property by contributing US\$4,000,000 in expenditures over the next five years. Sumitomo may earn an additional 19% for a total of 70% by making additional expenditures of US\$16,000,000 or by delivering a bankable feasibility study. Sumitomo has committed to exploration expenditures of US\$500,000 in the first year of the joint venture. Soltoro will act as the operator of the project until Sumitomo has earned a 51% interest. A 10% operator fee is payable to Soltoro until Sumitomo has earned its 51% interest. Soltoro was paid the first year’s operator fee of US\$45,550 on signing.

Mining was last carried out on the La Tortuga property at the turn of the 19th century by Americans at the historic Las Garochas gold-silver mine and the Macuchi silver-copper mine. From 1993 to 1998, surface trenching, geochemical surveys, geophysics, a fluid inclusion study and a reverse circulation drill program were completed. The property hosts both epithermal polymetallic gold-copper-silver vein systems and large zones of argillic alteration associated with outcropping, mineralized, porphyritic intrusives. The Company’s current exploration programs at La Tortuga are designed to determine whether a large mineralized porphyry system is present along the Papagayo ridge and, if such a system is present, whether it is the feeder system for the surrounding mineralized systems outlined to date.

The presence of multiple phases of mafic to felsic intrusives, some of which are magnetic, porphyritic, potassically altered and hosting chalcopyrite is very encouraging for the presence of a mineralized copper-gold porphyry system. The additional presence of mineralized intrusive matrix breccias as well as tourmaline matrix breccias, pebble dikes and all the related copper-gold values in the various veins on the property indicate the potential for a sizeable copper-gold porphyry system.

In June 2006, the Company completed an initial 21 line km Induced Polarization survey, which defined a 2.3 by 0.6 km high chargeability anomaly primarily over the Papagayo ridge, where porphyry rock outcrops at surface. The fluid inclusion study for the area concluded that the Papagayo ridge should be investigated as an area with the potential to host a porphyry copper deposit. A follow-up Induced Polarization survey covering an additional 81 km was completed in January 2007. Results from this survey outlined a 4 km by 0.6 km I.P. anomaly. A 3-dimensional image of the I.P. was generated from the survey and drill targets have been selected. A geological consultant specializing in porphyry systems recommended further mapping of potassic alteration to better define drill targets. In June 2007, a mapping and sampling program to outline the

potassic alteration on the property was completed. Samples of rock were cut with a core saw then subjected to potassic staining, with initial results indicating the known mineralized areas on the property have seen potassic flooding indicative of a porphyry source. The consultant had yet to provide his interpretation at the time of writing of this MD&A.

A third round of I.P. surveying consisting of a 10 line pole-dipole survey is being carried out within the 4 kilometre by 0.6 kilometre chargeability anomaly identified previously by Soltoro. The purpose of this survey is to more accurately define the depth of the known chargeability anomalies. A total of 8 lines had been completed with 2 remaining at time of writing of this MD&A. Soltoro has retained Sumiko Consultants of Japan to complete 2D inversions on the I.P. data. A diamond drill program will begin once the data has been compiled and drill targets have been chosen.

Bacanora Gold Project

On September 1, 2006, Soltoro Mexico acquired through transfer a 100% title interest in the Bacanora property, comprising two concessions totalling 4,718 hectares. These concessions were acquired from a subcontractor of Soltoro Mexico for an initial payment of \$US19,000. To maintain the property, Soltoro was required to make an additional payment of US\$30,000 and issue 100,000 common shares of Soltoro Ltd. within 6 months of the transfer date. In February 2007 the option to purchase was extended by the parties. On April 20, 2007, the vendor and Soltoro entered into an amending agreement pursuant to which Soltoro issued 175,000 common shares as full and final payment for the Bacanora property.

The Bacanora Project is located on the western edge of the Sierra Madre Occidental where the primary mineralization on the property is gold in quartz veins hosted within a magnetic, felsic intrusive. Known mineralization outcrops over a 1,800 meter long by 1,000 meter wide area. A second style of mineralization is also found on the property. It is a yellow jasperoid material associated with calcareous sediments of the cover rock, suggesting that there may be potential for Carlin-style mineralization in the cover sediments. A chip sample program of 104 samples from gold-bearing quartz veinlets provided 37 assays returning greater than 0.4 gpt gold with the highest value samples returning 7.7, 7.8, 9.6, and 14.9 gpt gold. In January 2007, the Company completed a rehabilitation of the roads at Bacanora along with a trenching program. Results from the trenching program in the main zone were returned as follows:

Trench	Metres	Gold gpt
Main Zone South	60	0.44
Including	8	1.08
Main Zone Central	14	1.29
Including	6	2.48
Main Zone Central	2	1.08
	2	0.40
Main Zone North	12	0.10

In September 2007, Soltoro moved a diamond drill from the El Rayo property to the Bacanora property to begin a diamond drill program. Four drill holes were completed at the time of writing of this MD&A. Drilling is being carried out to test for gold mineralization within and below the mineralized sheeted veins in the central zone, No assay values had been reported at the time of writing of this MD&A. During the period ended September 30, 2007, the Company staked and applied for the mining rights to acquire an additional 4,000 hectares named “La Dorada 3”.

Quila Bulk Tonnage Copper Project

In June 2006, Soltoro Mexico staked the Quila concession, located east of the La Tortuga project, to cover numerous bornite veins, south-east trending geophysical highs and numerous historical silver/lead exploitation areas south-east of the Magistral mine. Title to the 22,760 hectare Quila concession was granted in December 2006.

On January 19, 2007, the Company entered into an earn-in agreement on the property with Southern Silver Exploration Corporation. Southern Silver may acquire a 70% interest in Soltoro's Quila property by issuing a total of 500,000 shares to Soltoro and spending US\$3 million on exploration over five years with \$150,000 as a firm commitment in the first year of the agreement. Once Southern Silver has earned its option in the property, Soltoro shall retain a carried 30% interest until delivery by Southern Silver of a definitive feasibility study and thereafter shall participate as a 30% working interest partner.

Southern Silver controls a 337 sq. km claim land package in a 25 kilometre long mineralized trend in Jalisco State of which Quila represents approximately two thirds of the surface area of the package. Southern Silver is well funded and has named the area the Minas de Ameca project. Southern Silver resumed drilling on the Minas de Ameca property in May of 2007 to further investigate high-grade copper/gold/silver prospects.

On July 5, 2007, Southern Silver's Mexican subsidiary acquired the "Altavista Del Ramos" 91 hectare concession within the Quila claim block. The property is subject to the terms of the earn-in agreement. The initial US\$20,000 acquisition expenditure may only be applied to the second year exploration expenditures of the earn-in agreement and will not affect or be included in Southern Silver's first year US\$150,000 firm commitment to the Quila concession.

In September 2007, Southern Silver provided Soltoro with an exploration update which included mapping, sampling and induced polarization study results. Southern Silver completed drill hole 07QU-01 on the Quila claim during the period. Drilling was carried out to test a 1.5 by 0.5 kilometre chargeability anomaly. Results from the drilling at Quila were pending at the time of writing of this MD&A.

Other mineral prospects

On August 29, 2006, Soltoro Mexico received 100% title interest to the 780 hectare Gavilan property located in the San Joaquin district in the state of Queretaro. The Gavilan prospect was staked based on historical reports to investigate the potential for the area to host a zinc/silver/gold skarn. A limited geological reconnaissance program was completed in 2006 to identify mineralized areas and evaluate the style and extent of alteration.

On November 10, 2006, Soltoro Mexico received 100% title interest to the 2,000 hectare El Santuario property in the state of Hidalgo to cover the historic San Clemente gold district. A very limited geological program was completed at Santuario to locate old workings and collect orientation samples to confirm data from historic government reports.

The Company has staked additional concessions that are prospective for gold and silver yet to be titled: the 1,600 hectare Chinipas application in the state of Chihuahua; the 31,678 hectare Peña Grande application in the state of San Luis Potosi and 3 applications in the state of Jalisco; the 12,800 hectare Victoria application; the 954 hectare Midas application and the 1,235 hectare Coyote application. In March 2007, an orientation sampling program was conducted at Chinipas

to assess the style of mineralization and to determine its lateral extent. In April 2007 an Aster satellite image alteration map was acquired to aid in further focusing future work programs on the Peña Grande Property. In June 2007, orientation sampling programs were completed at the Midas and Coyote properties.

3. BUSINESS COMBINATION

The consolidated financial statements of Soltoro Ltd. (formerly Blue Fyre One Inc., a capital pool company) reflect the reverse takeover by Soltoro Ltd. (“Private Soltoro”) of Blue Fyre One Inc. (“Blue Fyre”), a capital pool company under the policies of the TSX Venture Exchange, by way of a three-way amalgamation. This transaction was approved by the shareholders of each company and was completed on August 31, 2006, at which time:

- a) Private Soltoro was amalgamated with Blue Fyre by means of a three-cornered amalgamation;
- b) Shareholders of Private Soltoro exchanged their common shares for shares of Blue Fyre on a one-for-one basis;
- c) Holders of options and broker warrants exercisable into common shares of Private Soltoro exchanged these securities for identical instruments exercisable into common shares of Blue Fyre on identical terms; and
- d) Upon completion of the business combination the name of Blue Fyre was changed with the name Soltoro Ltd. retained (“Public Soltoro”).

Immediately after completion of this transaction, the former shareholders of Private Soltoro controlled 77% of the issued and outstanding share capital of Public Soltoro. The acquisition of Private Soltoro by Blue Fyre was accounted for as a reverse takeover in accordance with CICA Emerging Issues Committee Abstract No. 10, as an issuance of shares and assumption of Blue Fyre’s outstanding broker warrants by Private Soltoro in return for the identifiable net monetary assets of Blue Fyre.

The financial statements for the period ended September 30, 2007 reflect the assets, liabilities and results of operations of Public Soltoro, post-amalgamation. The comparative results of operations and cash flows for the period ended September 30, 2006 are those of Private Soltoro, for the period from January 1, 2006 to August 31, 2006, and Public Soltoro thereafter.

4. RESULTS OF OPERATIONS

The Company's results of operations for the three months ended September 30, 2007 and 2006 are summarized below.

	2007	2006
	\$	\$
Expenses		
Salaries and management fees	40,024	33,000
Legal and audit	19,965	5,547
Investor relations	29,980	4,126
Regulatory fees	-	532
Transfer agent	1,539	4,818
Office expenses	4,888	2,650
Rent	3,812	2,230
Communications	1,346	2,243
Travel	1,281	7,024
Foreign exchange loss (gain)	29,728	(10,311)
Amortization	697	445
Stock-based compensation	23,195	46,971
Total administrative expenses	156,455	99,275
Revaluation gain on marketable securities	(7,000)	-
Interest income	15,234	35,774
Net loss	148,221	63,501

The significant components of the Company's operating loss for the 3 months ended September 30, 2007 and 2006 are summarized below.

- a) **Legal and Audit fees** increased to \$19,965 from \$5,547 due to increased legal costs incurred with respect to ongoing operations.
- b) **Investor relations** expenses increased to \$29,980 from \$4,126 due to costs incurred in connection with Canadian retail investor shows, an external investor relations advisor, and the production of the Company's annual report.
- c) **Foreign exchange** loss increased to \$29,728 from a gain of \$10,311 as a result of fluctuations in exchange rates used to translate the financial results of Soltoro Mexico.
- d) **Interest** earned on surplus funds invested in liquid interest bearing investments amounted to \$15,234, compared to \$35,774 in 2006. Interest income will decline materially as the Company continues its exploration and development activities in Mexico.

The Company's results of operations for the nine months ended September 30, 2007 and 2006 are summarized below.

	Nine months ended Septmeber 30 2007	Nine months ended Septmebr 30 2006
	\$	\$
Expenses		
Salaries and management fees	113,998	84,735
Legal and audit	52,129	16,645
Investor relations	124,952	7,912
Regulatory fees	5,200	532
Transfer agent	7,532	4,818
Office expenses	12,616	6,641
Rent	11,779	4,209
Communications	4,422	3,882
Travel	15,810	12,762
Foreign exchange loss (gain)	63,005	(8,552)
Amortization	1,874	445
Stock-based compensation	211,613	76,049
Total administrative expenses	<u>624,930</u>	<u>210,078</u>
Revaluation gain on marketable securities	4,000	-
Interest income	<u>56,740</u>	<u>36,724</u>
Net loss	<u><u>564,190</u></u>	<u><u>173,354</u></u>

The significant components of the Company's operating loss for the nine months ended September 30, 2007 and 2006 are summarized below.

- a) **Salaries and management fees** charged to operations increased to \$113,998 from \$84,735 as a result of increased compensation costs incurred during the period in connection with the services of the Company's President and Chief Financial Officer.
- b) **Legal and audit** expenses increased for the nine months increased to \$52,129 from \$16,645, reflecting primarily legal costs associated with the ongoing business of the Company and property acquisitions in the year and audit fees.
- c) **Investor relations** expenses increased to \$124,952 from \$7,912 due to costs incurred in connection with Canadian retail investor shows, an external investor relations advisor, and the production of the Company's annual report. The Company was not a public issuer until September 2006 and had minimal investor relations activity in the period ended September 30, 2006.
- d) **Foreign exchange loss** increased to \$65,002 from a gain of \$8,552 due to the fluctuation of foreign exchange rates between the Mexican peso and the Canadian dollar over the period.
- e) **Stock based compensation** increased to \$211,613 from \$76,049, reflecting the issue of 290,000 stock options in 2007 with a weighted average fair value of \$0.31 per option and the recognition of costs in the current period in respect of options issued in 2006. By contrast, the expense for the equivalent period in 2006 was driven by the issue of 450,000 options with a fair value of \$0.13 per option.
- f) **Interest** earned on surplus funds invested in liquid interest bearing investments amounted to \$54,740, compared to \$36,724 in 2006. Interest income will decline

materially as the Company continues its exploration and development activities in Mexico.

5. FINANCING AND CAPITALIZATION

During the period ended September 30, 2007, the Company completed a private placement of 1,000,000 units, as described in note 8 to the consolidated financial statements, yielding net proceeds of \$642,750. In addition, the Company received cash proceeds of \$60,000 upon the exercise of 240,000 broker warrants and \$26,000 from the exercise of 200,000 stock options.

On May 4, 2007, the Company issued 175,000 common shares with a fair value of \$70,000 to the owner of the Bacanora project to complete its acquisition of the two concessions that make up the project.

On September 21, 2007 the broker compensation warrants issued pursuant to the private placement that closed on April 20, 2006 were exercised and converted to 476,400 common shares of the Company, resulting in cash proceeds of \$276,400. The 240,000 broker warrants issued in September 2005 in connection with Blue Fyre's initial public offering were also exercised at a price of \$0.25 per share. The broker warrants and broker compensation warrants totalled proceeds of \$298,200.

At September 30, 2007 and to the date of this MD&A, the Company had 20,115,000 shares issued and outstanding and after giving effect to outstanding stock options and warrants, 22,495,000 shares on a fully diluted basis.

6. LIQUIDITY AND CASH FLOW

At September 30, 2007, the Company had liquid resources, including cash and funds held in the form of redeemable interest bearing term deposits, of \$1,720,406 and marketable securities with a fair market value of \$24,000. The significant sources and outflows of cash during the nine months ended September 30, 2007 are detailed in the cash flow statement and include:

- a. Net proceeds of \$966,950 from the issue of common shares pursuant to a private placements, the exercise of 716,400 broker warrants, and the exercise of 200,000 stock options;
- b. Total cash outlays of \$1,453,257 on equipment and acquisition and exploration costs associated with the Company's mineral properties; and
- c. Total cash outlays of \$596,652 on operations.

The Company considers that its existing cash resources are sufficient to carry out its planned exploration activities in 2007 to early 2008, but it will be necessary to raise additional funds going forward.

7. QUARTERLY INFORMATION

Selected quarterly information for the eight most recent quarterly reporting periods is set out below.

	2007			2006				2005
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
	\$	\$	\$	\$	\$	\$	\$	\$
Loss for the period	148,221	169,325	246,644	147,149	63,501	90,301	19,552	27,958
Loss per share - basic and fully diluted	0.008	0.009	0.01	0.01	0.004	0.008	0.003	0.007
Weighted average number of shares	19,690,383	19,387,501	18,813,822	17,124,083	14,417,283	11,661,758	5,595,000	4,021,712
Exploration expenditures on mining properties	364,364	630,458	461,935	428,741	70,524	67,328	5,833	61,773

The results of the fourth quarter of 2006 and the first nine months of 2007 reflect increased costs related to legal and audit fees, investor relations, and stock-based compensation, as well as increased exploration activity. Expenses in Mexico in the second half of 2006 were partially related to staking and acquisition of newly generated properties, and in 2007 are related to the drilling and IP surveying costs on the properties. Company exploration spending for 2007 should represent a larger percentage of overall expenditures as the year progresses with drill programs underway at El Rayo and Bacanora.

8. OUTLOOK

Management's strategy for building Soltoro into a profitable resource company and maximizing shareholder value is to acquire and explore drill ready or near drill ready properties with the potential to host significant economic deposits within prolific mining districts in Mexico. The Company explores primarily for gold, silver and copper, with the objective of enhancing the value of its properties either by direct exploration or through joint venture to a third party. This strategy diversifies the business risks inherent in developing a single property and may increase shareholder value substantially going forward.

Expenses have grown materially to the date of this MD&A, reflecting the activity level of the Company and its management. The Company has a current drilling program and continues to explore its Mexican properties actively. Future quarterly results, in terms of both corporate expenditures charged to operations and exploration expenditures charged to deferred exploration costs, will reflect this increasing level of expenditure.

The Company's cash resources are considered sufficient to enable the Company to maintain the pace of evaluative work on all of its properties and to consider new acquisitions, but additional funds will be required going forward.

9. RELATED PARTY TRANSACTIONS

During the period ended September 30, 2007, the Company incurred management fees with related parties amounting to \$145,513 of which \$54,000 was charged to operations with the remainder capitalized as a component of deferred exploration costs.

These charges were measured at the exchange amount, which is the amount of consideration established and agreed to between the Company and each officer.

10. DISCLOSURE CONTROLS AND PROCEDURES

During 2006, the Company appointed an audit committee to ensure proper review of financial reporting for the Company. Douglas Reeson was appointed as chairman of the committee with William McGuinty and Andrew Thomson being the two other members.

Management evaluated the design and effectiveness of disclosure controls and procedures in place as of September 30, 2007 and concluded that such procedures are adequate and effective to provide reasonable assurance that material information related to the Company for the nine months ending September 30, 2007 would have been made known to management.

In addition, as of September 30, 2007, the Chief Executive Officer and the Chief Financial Officer evaluated the design of the Company's internal controls over financial reporting and concluded that the design of the internal controls over financial reporting were adequate and effective to provide reasonable assurance that financial information is recorded, processed, summarized and reported in a timely manner.

To the date of this MD&A, there have been no changes to the Company's disclosure controls and procedures or internal controls over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

11. NEW ACCOUNTING STANDARDS

On January 1, 2007, the Company adopted prospectively the Canadian Institute of Chartered Accountants ("CICA") Handbook Sections 1530, *Comprehensive Income*; Section 3251, *Equity*; Section 3855, *Financial Instruments - Recognition and Measurement*; Section 3861, *Financial Instruments - Disclosure and Presentation*; and Section 3865, *Hedges*.

(i) Financial Instruments

Under the new standards, financial assets and liabilities, including derivative instruments, are initially recognized and subsequently measured based on their classification as "held-for-trading", "available-for-sale" financial assets, "held-to-maturity", "loans and receivables", or "other" financial liabilities. Held-for-trading financial instruments are measured at their fair value with changes in fair value recognized in net income for the period. Available-for-sale financial assets are measured at their fair value and changes in fair value are included in other comprehensive income until the asset is removed from the balance sheet. Held-to-maturity investments, loans and receivables and other financial liabilities are measured at amortized cost using the effective interest rate method. Derivative instruments, including embedded derivatives, are measured at their fair value with changes in fair value recognized in net income for the period, unless the instrument is a cash flow hedge and hedge accounting applies, in which case changes in fair value are recognized in other comprehensive income.

(ii) Comprehensive Income

Section 1530 establishes standards for reporting and presenting comprehensive income. Comprehensive income, composed of net income and other comprehensive income, is defined as the change in shareholders' equity from transactions and other events from non-owner sources. Other comprehensive income for the Company includes unrealized gains and losses on available-for-sale securities and changes in the fair market value of derivatives designated as cash flow hedges, all net of related income taxes. The components of comprehensive income are disclosed in the statement of expenditures and deficit and comprehensive income. Cumulative changes in other comprehensive income are included in accumulated other comprehensive income ("AOCI") which is presented as a new category in shareholders' equity.

(iii) Hedging

Section 3865 specifies the circumstances under which hedge accounting is permissible and how hedge accounting may be performed. As at and during the nine month period ended September 30, 2007, the Company had no hedges.

As at January 1, 2007, there was no effect on the Company's balance sheet of adopting these standards.

12. CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Company's accounting policies are described in note 4 to the audited consolidated financial statements for the year ended December 31, 2006. The preparation of the Company's consolidated financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect amounts reported in the consolidated financial statement and accompanying notes. The following is a list of the accounting policies that management believes are critical due to the degree of uncertainty regarding the estimates or assumptions involved and the magnitude of the asset, liability or expense being reported:

- Carrying value of mineral properties; and
- Estimation of fair value of stock-based compensation and warrants

Carrying value of mineral properties

The Company capitalizes the acquisition costs of mineral properties and all direct costs relating to exploration on its mineral properties. These costs will be amortized over the estimated productive lives of the properties upon commencement of production using the unit-of-production method. Options or sales of mineral properties are accounted for by applying the proceeds from such sales to the carrying costs of the property and reducing costs to zero prior to recognizing any gains. Costs related to abandoned projects are written off and costs related to impaired projects are written down.

Stock-based compensation

The Company uses the Black-Scholes option-pricing model to determine the fair value of employee incentive stock options and derivative securities issued in conjunction with financing transactions. This model requires the input of highly subjective assumptions, including expected future stock price volatility and expected time until exercise. Changes in the assumptions can materially affect the fair value estimate, and therefore, the existing model does not necessarily provide a reliable measure of the fair value of the stock options vested or warrants issued by the Company.

13. RISK FACTORS

The Company's business requires and will continue to require significant financings and is subject to risks associated with mineral prices, mineral resources and exploration activities. Readers should review and consider the financial, operational, permitting and environmental risk factors faced by the Company, which are common to junior exploration companies.

Exploration, Development and Operating Risks

The exploration for and development of mineral deposits is a speculative venture involving a high degree of risk. Even a combination of careful evaluation, experience and knowledge may not eliminate such risk. While the discovery of a commercially viable ore body may result in substantial rewards, few mineral properties which are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, cave-ins, landslides, and the inability of Soltoro to obtain suitable machinery, equipment or labour are all risks involved with the conduct of exploration programs and the operation of mines. Substantial expenditures may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site, and substantial additional financing may be required. It is impossible to ensure that the exploration or development programs planned by Soltoro will result in a profitable commercial mining operation. The decision as to whether a particular property contains a commercial mineral deposit and should be brought into production will depend on the results of exploration programs and/or feasibility studies, and the recommendations of duly qualified engineers and geologists. Several significant factors will be considered, including, but not limited to:

- i) the particular attributes of the deposit, such as size, grade and proximity to infrastructure;
- ii) metal prices, which are highly cyclical;
- iii) government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, permitting, importing and exporting of minerals and environmental protection;
- iv) ongoing costs of production; and
- v) availability and cost of additional funding.

The exact effect of these factors cannot be accurately predicted, but one or any combination of these factors may result in Soltoro not receiving an adequate return on invested capital.

Additional Capital

The ability of Soltoro to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions as well as the business performance of Soltoro. The development and exploration of Soltoro's properties may require substantial additional financing. Failure to obtain such financing may result in delaying or indefinite postponement of exploration, development or production on any or all of Soltoro's properties or a loss of a property interest. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to Soltoro. If additional financing is raised by Soltoro through the issuance of securities from treasury, control of Soltoro may change and security holders may suffer additional dilution.

Early Stage Projects

Each of the Company's projects is in the early exploration stage and is without a known body of commercial ore. There is no certainty that the expenditures made by Soltoro towards the search

for and development of mineral deposits on its properties will result in discoveries of commercial quantities of ore.

Environmental Risks and Hazards

All phases of Soltoro's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect Soltoro's operations. Environmental hazards may exist on the properties on which Soltoro holds interests which are unknown to Soltoro at present and which have been caused by previous or existing owners or operators of the properties or by current or previous surface rights owners. Government approvals and permits have been submitted as required and future approvals will be required in connection with Soltoro's operations. To the extent such approvals are required and not obtained, Soltoro may be curtailed or prohibited from continuing its mining operations or from proceeding with the planned exploration or development of the mineral properties in which it has an interest. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in the exploration or development of exploration properties may be required to compensate those suffering loss or damage by reason of such parties' activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of exploration companies, or more stringent implementation thereof, could have a material adverse impact on Soltoro and cause increases in exploration expenses or capital expenditures or require abandonment or delays in development of new exploration properties.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, several risks and, in particular, unexpected or unusual geological or operating conditions, may occur. It is not always possible to fully insure against such risks, and Soltoro may decide not to insure such risks as a result of high premiums or other reasons. Should such liabilities arise they could reduce or eliminate any future profitability and result in an increase in costs and a decline in value of the securities of Soltoro. Soltoro is not insured against environmental risks. Insurance against environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) has not been generally available to companies within the industry. Soltoro periodically evaluates the cost and coverage of the insurance against certain environmental risks that is available to determine if it would be appropriate to obtain such insurance. Without such insurance, and if Soltoro becomes subject to environmental liabilities, the payment of such liabilities would reduce or eliminate its available funds or could exceed the funds available to Soltoro to pay such liabilities and result in bankruptcy. Should Soltoro be unable to fund fully the remedial cost of an environmental problem it might be required to enter into interim compliance measures pending completion of the required remedy.

Permitting

Soltoro's current and future operations will require approvals and permits from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, taxes, labour standards, health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. There is no assurance that delays will not occur in connection with obtaining all necessary renewals of such approvals and permits for the existing operations or additional approvals or permits for any possible future changes to operations. Prior to any development on any of its properties, Soltoro must receive permits from appropriate governmental authorities. There can be no assurance that Soltoro will obtain or continue to hold all permits necessary to develop or continue operating at any particular property.

Infrastructure

Development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, and government or other interference in the maintenance or provision of such infrastructure could adversely affect Soltoro's operations, financial condition and results of operations.

Title to Mining Concessions

The validity of mining concessions generally can be contested, and although Soltoro has taken steps to acquire the necessary title to its mining concessions, some risk exists that title to such concessions may be defective. In order to maintain the mining concessions, Soltoro must incur certain minimum exploration expenditures annually or risk forfeiture of the mining concessions and any such expenditure made to such time.

Competition

The resource and mining exploration industry is intensely competitive in all of its phases. As a result of this competition, some of which is with large, established mining companies with substantial capabilities and greater financial and technical resources than Soltoro, Soltoro may be unable to acquire additional mineral properties on terms it considers acceptable, or continue to explore and develop its existing properties.

Market Factors and Volatility of Commodity Prices

The marketability of mineralized material which may be acquired or discovered by Soltoro will be affected by numerous factors beyond the control of Soltoro. These factors include market fluctuations in the prices of minerals sought, which are highly volatile, the proximity and capacity of natural resource markets and processing equipment, and government regulations, including regulations relating to prices, taxes, royalties, permitting, land tenure, land use, importing and exporting of minerals and environmental protection. The effect of these factors cannot be accurately predicted, but these factors may result in Soltoro not receiving an adequate return on invested capital. Prices of certain minerals have fluctuated widely, particularly in recent years, and are affected by numerous factors beyond the control of Soltoro. Future mineral prices cannot be accurately predicted. A severe decline in the price of a mineral being produced or expected to be produced by Soltoro would have a material adverse effect on Soltoro, and could result in the suspension of exploration or development of mining operations by Soltoro.

Foreign Operations

All of the Corporation's property interests are located in Mexico, and are subject to that jurisdiction's laws and regulations. The Corporation believes the present attitude of Mexico to foreign investment and mining to be favourable but investors should assess the political risks of investing in a foreign country. Variations from the current regulatory, economic and political climate could have an adverse effect on the affairs of the Corporation.

Exchange Rate Fluctuations

Exchange rate fluctuations may adversely affect Soltoro's financial position and results. Soltoro does not currently hedge or otherwise mitigate its foreign currency risks.

Key Executives

Soltoro is dependent on the services of key executives and a small number of highly skilled and experienced consultants and personnel. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. Due to the relatively small size of Soltoro, the loss of these persons or Soltoro's inability to attract and retain additional highly skilled employees may adversely affect its business and future operations. Soltoro does not currently carry any key man life insurance on any of its executives.

Conflicts of Interest

Certain of the directors and officers of Soltoro also serve as directors and/or officers of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers involving Soltoro will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of Soltoro and its shareholders.

(Signed) "Andrew Thomson"
Andrew Thomson
President and Chief Executive Officer
November 22, 2007

(Signed) "Jim Kirke"
Jim Kirke
Chief Financial Officer
November 22, 2007