

ACREX VENTURES LTD.
(“Company”)

QUARTERLY MANAGEMENT DISCUSSION AND ANALYSIS
DATED MAY 28, 2010

This quarterly MD & A covers the Company’s first fiscal quarter – the period between January 1, 2010 and March 31, 2010 - and the period to May 28, 2010. It is to be read in conjunction with the Company’s audited financial statements, prepared to December 31, 2009 and the quarterly unaudited financial statement of the Company prepared for the quarter ending March 31, 2010.

1. **Overall Performance**

(a) *Grizzly-Kellar, Quebec, Property*

The Company has signed an Option Agreement dated April 20, 2010, securing an option to acquire 100% ownership of the Grizzly-Kellar group of mineral claims (the “property”). To exercise and maintain the option the Company must:

- (i) pay the optionors \$15,000 on signing - which has been paid;
- (ii) issue the optionors 100,000 shares within the latter of 7 days after the Agreement is accepted for filing by the Exchange or the date an independent geologist retained by the Company has completed an examination of the property and provided to the Company a positive recommendation to proceed with exploration work on the property (the “Effective Date”);
- (iii) by one year after the Effective Date pay the optionors \$20,000, issue them 100,000 shares and complete \$100,000 of work on the property;
- (iv) by two years after the Effective Date pay the optionors \$30,000, issue them 200,000 shares and complete an aggregate total of \$300,000 of work on the property;
- (v) by three years after the Effective Date pay the optionors \$35,000, issue them 300,000 shares and complete an aggregate total of \$500,000 of work on the property;
- (vi) by four years after the Effective Date pay the optionors \$20,000, issue them 150,000 shares and complete an aggregate total of \$750,000 of work on the property; and
- (vii) by five years after the Effective Date pay the optionors \$20,000, issue them 150,000 shares and complete an aggregate of \$1,000,000 of work on the property.

The optionors will retain a 2.0% NSR Royalty. The Company may re-purchase a 1.0% NSR Royalty for \$1.5 million on or before two years from the date of the commencement of commercial production on the property.

The Grizzly-Kellar Lake gold property hosts a new gold discovery located in the northeast corner of Guettard township – 45 miles west of the mining town of Chibougamau, Quebec and 340 miles north of Montreal. The nearest permanent settlement to the property is the town of Chapais, 28 miles to the southeast. The Chapais-Chibougamau area has been a mining district since the early 1950’s. In 1960, the area became the first copper producing region in eastern Canada. Chibougamau is best known for its copper mining with cumulative production greater than 2.5 billion pounds. However, it has also produced 4.3 million ounces of gold, with 1.26 million ounces coming from the Joe Mann mine. The Grizzly Kellar property is located 83 km northwest of of the Joe Mann mine.

The Grizzly-Kellar property is comprised of 120 contiguous claims covering an area approximately 6,270 hectares (approximately 15,490 acres). The property lies along an east-west trending regional fault zone that marks a major volcanic-sedimentary rock contact.

A recent logging road program provided access to the area where local prospectors Messrs. Bouchard and Lamothe discovered widespread alteration (carbonatization-silicification) and mineralization (arsenopyrite, pyrite) occurring in sheared gabbro and feldspar porphyry. Grab samples from the two lithologies returned gold assays up to 5.1 g/t Au.

The principal gold-showing on the property occurs in a quartz vein cutting volcanic rocks of acidic to intermediate composition which is sideritic in place. This gold-bearing quartz vein varies in width from a few inches to 5 feet and has been traced in the main trench for a distance of approximately 300 feet. It has a vertical or near vertical dip and strikes north 25 degrees to 30 degrees east. In places the quartz vein contains pyrite. This vein suggests that the primary exploration target on the Kellar property is a gold deposit associated with quartz veins in fracture-zones in metamorphosed volcanic rocks.

A stripping and washing program completed in 2006 is reported to have uncovered a 4-5m wide silicified (stockwork) feldspar porphyry dyke containing disseminated, arsenopyrite, pyrite, galena and chalcopyrite cutting a gabbro body. In contact with the porphyry the gabbro is highly carbonated and silicified containing up to 10% arsenopyrite over widths of 5m on each side of the dyke. The stripping has exposed the mineralization over a length of 150m and a width of up to 25m. The mineralized zone remains open along strike.

The optionors of the property are G.L. Geoservices Inc. and Marc Bouchard, both of Quebec City. The Option Agreement is subject to final documentation and acceptance for filing by the TSX Venture Exchange.

(b) Michaud, Ontario Property

No work has been done on or with respect to the property since October 1, 2008. Work done on this property earlier in 2008 was described in previous quarterly MD & A's.

In December, 2009 the Company sold its interests in the Joint Venture to its joint venturer, Moneta Porcupine Mines Inc. for \$1,000,000 cash.

(c) Spanish Mountain, British Columbia, Property

No work has been done on or with respect to the property since October 1, 2008. Work done on this property in 2008 was described in previous quarterly MD & A's.

A work programme on the property - to be carried out in 2010 - was described in the Company's annual MD & A and in a Press Release dated March 2, 2010.

(d) 2010 Activities

The Company has not conducted any exploration activities subsequent to January 1, 2009.

(f) Financing

The Company has not done any financing since January 1, 2009.

2. Summary of Quarterly Results

The following information is provided for each of the 8 most recently completed quarters of the Company:

	March 31/10	Dec. 31/09	Sept. 30/09	June 30/09	March 31/09	Dec. 31/08	Sept. 30/08	June 30/08
(a) Net sales or total revenues	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(b) Loss before other or extraordinary items								
- total	90,793	95,643	70,002	80,535	60,340	129,341	75,641	97,087
- per share undiluted	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01
- per share diluted*								
(c) Net loss (gain)								
- total	90,793	583,113	528,844	67,249	60,340	129,341	75,641	97,087
- per share undiluted	0.00	0.01	0.01	0.002	0.00	0.00	0.00	0.01
- per share diluted*								

*As the effect of any dilution is to reduce the reported loss per share, fully diluted loss per share information has not been shown.

The differences in the figures between the various quarters is due only to the amount of activity by the Company in each quarter. The actual expenses for the quarter were \$94,132 – but because the Company received interest on its bank account of \$3,339 it posted a loss of only \$90,793.

3. Liquidity

At the fiscal quarter-end – March 31, 2010 - the Company had net working capital of \$1,583,289. The Company has no financial commitments other than to pay its monthly general and administrative expenses and monthly management and directors' fees.

4. Transactions with Related Parties

There have been no transactions with related parties in the past fiscal year – except that:

- the Company pays \$9,000 per month to a company which is wholly owned by the President Mr. Malcolm Powell – in payment for Mr. Powell's management of the Company. Mr. Powell's company was also paid \$3,282 (2009 - \$3,282) during the quarter for equipment rental.
- Carl Jonsson, a director, is a principal in the law firm which acts as the Company's Solicitors – and accordingly receives a benefit from the fees paid to the law firm for services rendered – which are rendered almost exclusively by Mr. Jonsson. In the quarterly period covered by this Statement the legal fees were \$4,201.
- The Company incurred rent expenses of \$4,170 (2009 - \$4,170) during the quarter with a company which has a common director.

5. Other MD & A Requirements

- Additional information relating to the Company – including the quarterly financial statements and MD&As for the fiscal year ended December 31, 2009 - have been filed on SEDAR and are available at www.sedar.com. Information about the Company may also be seen on its website at www.acrexventures.com.

(b) As the Company has not had any revenue from operations in its last two financial years the following additional information is provided:

(A) Breakdown of exploration costs for the quarterly periods ending March 31, 2010 and March 31, 2009.

	Quarter ending March 31/2010	Quarter ending March 31/2009 \$
Assays	-	2,925
Consulting	1,983	-
Lodging	-	-
Drilling	-	-
Field vehicles	-	-
Surveying and linecutting	-	-
Other	-	1,163
Support	-	-
Totals:	1,983	4,088

(B) General and administration expenses.

Breakdown of general and administration expenses for the two completed quarters ending March 31, 2010 and March 31, 2009:

	Quarter ending March 31/2010 \$	Quarter ending March 31/2009 \$
Accounting	3,500	2,500
Consulting	9,622	-
Filing fees	5,000	5,000
Investor relations	17,745	16,449
Legal fees	4,201	313
Management fees	27,000	27,000
Office and general	1,312	6,784
Promotion and travel	12,583	-
Rent	4,170	4,170
Transfer agent fees	997	1,235
Advertising	7,801	4,242
Totals:	93,931	67,693

(c) Outstanding share data – as at March 31, 2010:

(i) The Company has 40,660,447 common shares issued. The shares are all voting shares and rank equally with each other.

(ii) The Company has 3,850,000 share purchase options outstanding entitling the purchase of:

- 485,000 shares exercisable at \$0.12 per share before July 7, 2010.
- 100,000 shares exercisable at \$0.12 per share before October 13, 2010.
- 100,000 shares exercisable at \$0.12 per share before December 5, 2010.
- 100,000 shares exercisable at \$0.30 per share before June 19, 2011.
- 50,000 shares exercisable at \$0.30 per share before June 29, 2011.
- 100,000 shares exercisable at \$0.20 per share before February 7, 2012.

- 650,000 shares exercisable at \$0.16 per share before July 2, 2012
- 1,400,000 shares exercisable at \$0.16 per share before December 17, 2012
- 565,000 shares exercisable at \$0.10 per share before December 11, 2013
- 100,000 shares exercisable at \$0.10 per share before January 12, 2015
- 200,000 shares exercisable at \$0.10 per share before April 12, 2015

(iii) The Company has no share purchase warrants outstanding. All previously outstanding warrants expired August 14 - 16, 2009.

6. **Financial and Other Instruments**

As at March 31, 2010, the Company's financial instruments consist of cash and cash equivalents and accounts payable. The fair values of these financial instruments approximate their carrying values because of their current nature.

7. **Controls and Procedures**

(a) As the Company is a venture issuer it is not required to certify the design and evaluation of its Disclosure Controls and Procedures and Internal Controls on Financial Reporting - and has not completed such an evaluation; and

(b) inherent limitations on the ability of the certifying officers to design and implement on a cost effective basis DC&P and ICFR for the Company may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

8. **Change in Accounting Policies including Initial Adoption and Recent Accounting Pronouncements Not Yet Adopted**

(a) In January 2009, the Accounting Standards Board ("AcSB") issued CICA Handbook Section 1582, "Business Combinations", which replaces Section 1581, "Business Combinations". The AcSB also issued Section 1601, "Consolidated Financial Statements", and Section 1602, "Non-Controlling Interests", which replace Section 1600, "Consolidated Financial Statements". These new sections are based on the International Accounting Standards Board's ("IASB") International Financial Reporting Standard 3, "Business Combinations". These new standards replace the existing guidance on business combinations and consolidated financial statements. These new standards require that most assets acquired and liabilities assumed, including contingent liabilities, to be measured at fair value and all acquisition costs to be expensed. These new standards also require non-controlling interests to be recognized as a separate component of equity and net earnings to be calculated without a deduction for non-controlling interests. The objective of these new standards is to harmonize Canadian accounting for business combinations with the international and U.S. accounting standards. The new standards are to be applied prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011, with earlier application permitted. Assets and liabilities that arose from business combinations whose acquisition dates preceded the application of the new standards will not be adjusted upon application of these new standards. The Non-Controlling Interests standard should be applied retrospectively except for certain items. The Company is currently assessing the future impact of this standard on its financial statements.

In August 2009, the AcSB issued amendments to Section 1625, Comprehensive Revaluation of Assets and Liabilities, for consistency with new Section 1582, Business Combinations. The amendments require that, when push-down accounting is used following the acquisition of an enterprise, the assets and liabilities are to be measured at the values used in accounting for the purchase transaction or transactions in accordance with Section 1582. The amendments also require that, when a future income tax asset that arose prior to the date of a comprehensive revaluation and that was not recognized in the comprehensive revaluation is subsequently

recognized, the benefit should be recognized in accordance with Section 1582 and Section 3465, Income Taxes. The Company is currently assessing the future impact of this standard on its financial statements.

The amendments apply prospectively to comprehensive revaluations of assets and liabilities occurring in fiscal years beginning on or after January 1, 2011. Early adoption is permitted as of the beginning of a fiscal year. An entity adopting this Section for a fiscal year beginning before January 1, 2011 also adopts Section 1582.

Also in August 2009, the AcSB issued amendments to Section 3251, *Equity*, as a result of issuing Section 1602, *Non-controlling Interests*. The amendments require non-controlling interests to be recognized as a separate component of equity.

The amendments apply only to entities that have adopted Section 1602.

(b) Securities regulators and the Canadian Accounting Standards Board have edicted that all public Canadian companies must adopt and comply with IFRS effective January 1, 2011 with restatement, for comparative purposes, of amounts reported by the Company for the year ended December 31, 2010 and for all interim periods reported within 2010. The Company is currently assessing the adoption of IFRS for 2011. However the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time. At this point, due to the limited nature of the Company's activities, it is not expected that the transition to IFRS will have a significant impact. Management expects to, in 2010, formulate a changeover plan. Although companies are, in some cases, entitled to adopt certain new accounting policies that will comply with IFRS prior to 2011, the Company has not concluded that it would be appropriate for it to adopt any of the new accounting policies prior to the date they will be required.

9. **Risks and Uncertainties**

Resources exploration is a speculative business and involves a high degree of risk which even a combination of professional evaluation and management experience may not eliminate. There is no certainty that expenditures made by the Company on the exploration of properties will result in discoveries of commercial quantities of minerals. Significant expenditures are required to locate and estimate reserves, and further the development of a property. Capital expenditures to bring a property to commercial production are also significant. There is no assurance that the Company will be able to arrange sufficient financing to bring a property into production. The following are some of the risks to the Company, recognizing that it may be exposed to other additional risks from time to time.

- Limited business history of the Company, including lack of revenues and no assurance of profitability
- Dependence on key management personnel
- Reliance on availability and performance of independent contractors
- Challenges by other unknown parties or Aboriginals to property title
- Environmental issues
- Federal and provincial political risk
- Commodity price risk
- Financial markets