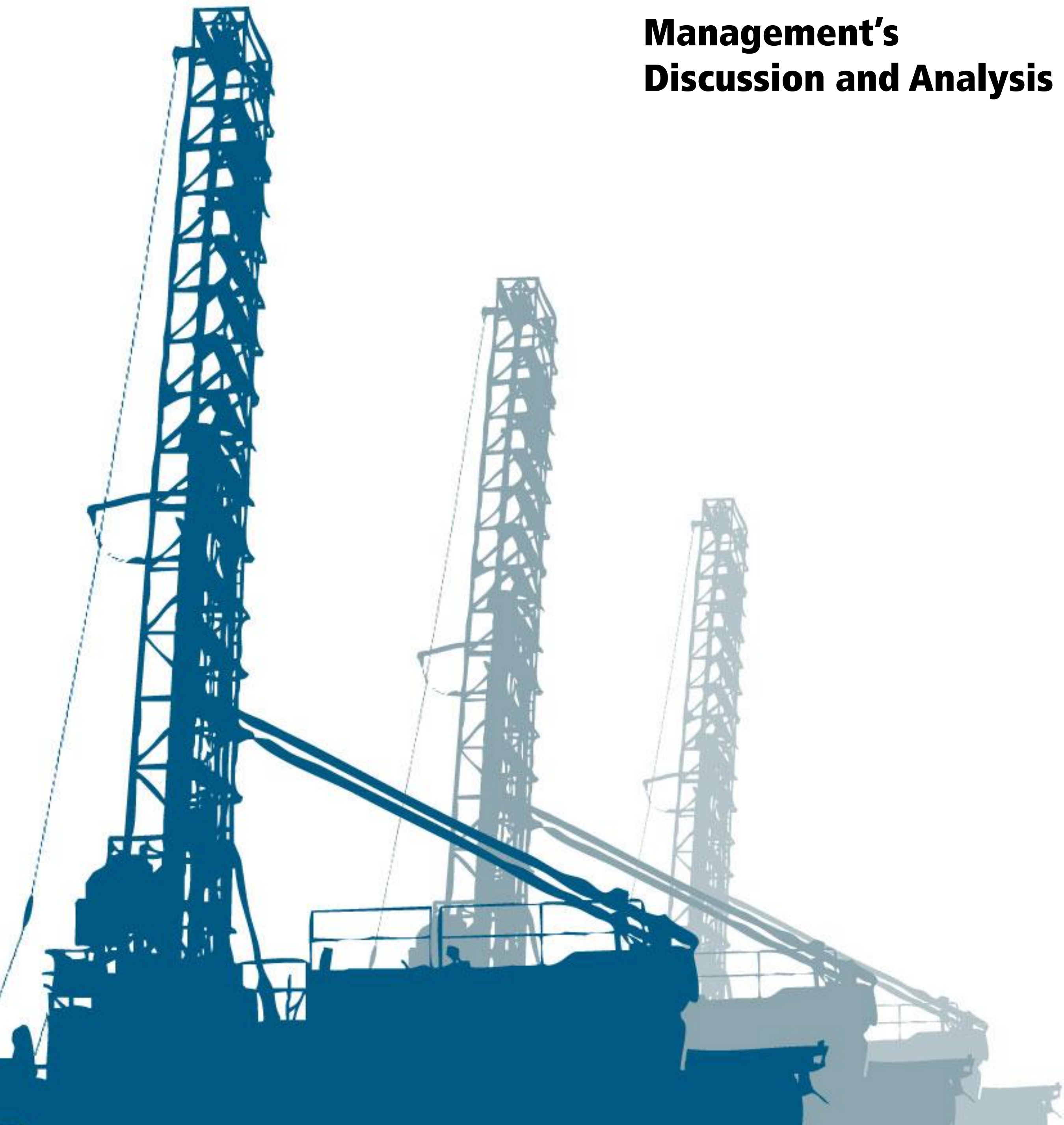
ZINCORE METALS INC.

For the Three Months Ended
March 31, 2012 and 2011

Management's Discussion and Analysis



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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the Three Months Ended March 31, 2012 and 2011 All figures in Canadian dollars unless otherwise noted

GENERAL

The following Management's Discussion and Analysis ("MD&A") of Zincore Metals Inc. and its subsidiaries ("Zincore" or the "Company"), for the three month periods ended March 31, 2012 and 2011 is prepared as of May 3, 2012 and should be read in conjunction with the Company's unaudited interim financial statements for the three month periods ended March 31, 2012 and 2011 and the audited financial statements for the years ended December 31, 2011 and 2010 which were prepared in accordance with International Financial Reporting Standards ("IFRS"). All of these statements are available on the Company's website at www.zincoremetals.com or on the SEDAR website at www.sedar.com. Additional information relating to the Company, including its Annual Information Form ("AIF") dated March 19, 2012, is also available on SEDAR at www.sedar.com.

All financial information in this MD&A is presented in Canadian dollars unless otherwise noted.

The Company is currently engaged in exploration and development of mineral properties and does not have any source of revenue or operating assets. The recoverability of the amounts shown for mineral properties is dependent upon the ability of the Company to obtain necessary financing to complete exploration, technical studies and, if warranted, development and future profitable production or proceeds from the disposition of properties. The amounts shown as mineral properties represent costs to date and do not necessarily represent present or future values.

FORWARD-LOOKING STATEMENTS

Statements in this MD&A that are forward-looking are subject to various risks and uncertainties concerning the specific factors disclosed under the heading "Risk Factors" and elsewhere in Zincore's AIF. Such information contained herein represents management's best judgment as of the date hereof based on information currently available. Zincore does not assume the obligation to update any forward-looking statements other than as required pursuant to applicable securities laws.

OUTLOOK

In March 2012, the Company completed a non-brokered private placement for gross proceeds of $5,405,000. The Company plans on using these funds to commence its prefeasibility study ("PFS") on the AZOD project, continue to explore the Dolores copper-porphyry, and for general corporate purposes. The Company continues to explore options to raise capital as well as reduce its overhead costs. The Company has moved to smaller office space both in Peru and Canada in order to preserve capital.

The work on the PFS had been reduced given the uncertainty surrounding the Company's financing efforts. However, as a result of the successful completion of the equity financing in March 2012, work on the PFS will begin to increase. The Company is now targeting completion of the PFS during the first half of 2013.

Additional trenching and mapping on the Dolores property is on-going to better define the extent of the mineralized porphyry prior to initiating the next phase of drilling.

DESCRIPTION OF BUSINESS

Zincore is an exploration stage mining company engaged in the identification, acquisition, evaluation, exploration and development of zinc and base metal properties in the Americas. Its primary objective is to define economically feasible projects through focused exploration and to develop, joint venture, or sell properties of economic merit. Zincore's properties are in the exploration stage and are thus non-producing and consequently do not generate revenue or cash flow from operations. The Company is dependent on additional equity, debt capital or proceeds from divestitures to finance its activities.

Zincore's main activities are related to exploration, definition drilling and technical studies at its AZOD project in Peru, and initial exploration at its other properties to further assess potential and develop more detailed exploration programs.

OVERALL PERFORMANCE AND CURRENT ECONOMIC CONDITIONS

Globally, stock markets have been positive when measured from their 2012 starting levels to the end of the first quarter of 2012. During this period, the S&P500 gained 12%, and the TSX and TSX-V gained almost 4.7% and 5.5% respectively. However, these impressive gains mask a marketplace of haves and have nots. As investors have fretted about the state of an on and off world economy, positive market activity has generally only accrued to larger cap companies and those smaller companies in specific sectors. Within the junior resource sector, except copper, the first quarter of 2012 was negative both in terms of share price performance and the absence of opportunity to raise funds. Zincore's stock price traded between $0.19 and $0.29 per share during the quarter and close d the period at $0.22 after beginning the year at $0.19.

With regard to zinc specifically, the metal opened 2012 at US$0.83/lb before ending the first quarter at US$0.91/lb as market participants weighed growing near term stockpiles of the metal versus the recognition that supply shortages are probable sometime in the next few years as some of the World's largest zinc producers decline in output or are set to outright close. On balance, although there has been greater interest in zinc from investment dealers and corporate and institutional investors, it appears most parties are content to wait for clearer signals about the resumption of global growth before acting.

On March 16, 2012, the Company raised, by way of a non-brokered private placement, gross proceeds totalling $5,405,000 by issuing 27,025,000 units at $0.20 per unit. Each unit consists of one common share and one-half common share purchase warrant. Each whole share purchase warrant will entitle the holder to purchase one common share at $0.30 for up to 2 years. These warrants were valued at $1,475,375 by using the Black-Scholes options pricing model assuming no dividends are to be paid, volatility of 89%; risk free interest rate of 1.12%; and an estimated life of 2 years. The Company paid fees totalling $378,414 in connection to this private placement.

On January 11, 2012, the Company released Dolores trench results that included 0.71% Copper Equivalent over a twenty-nine metre trench, located 450 metres and 1 km away from holes DOL-10 and DOL-9 respectively, two of the most highly prospective holes drilled on the property to date. The mineralization is hosted in the same altered quartz diorite porphyry cut in holes DOL-9 and DOL-10, which indicates that the trench area is part of the same system where the Company achieved excellent drill results. Also of note is that all samples in the trench were mineralized indicating that mineralization extends beyond the outcrop and into the surrounding areas. On April 3, 2012, the Company released additional trench results which reported that it continues to encounter higher grade mineralization in an undrilled area of Dolores. These latest results bring the weighted average grade of this trench to 0.76% Copper equivalent over fifty-two metres. See news release dated April 3, 2012 for full details.

As at March 31, 2012, the Company had working capital, comprised of current assets less current liabilities, totaling $4,925,976.

RESULTS OF OPERATIONS

	THREE MONTHS ENDED MARCH 31, 2012		THREE MONTHS ENDED MARCH 31, 2011	
Salaries and benefits	$	246,525	$	332,825
General exploration	$	238,503	$	768,514
Other general and administrative expenses	$	204,066	$	397,957
Consulting and management fees	$	113,053	$	186,324
Income tax expense	$	–	$	131,000
Foreign exchange loss	$	2,536	$	20,100
Depreciation	$	1,949	$	1,943
Mineral properties	$	29,883,582	$	22,215,462

General exploration expense was lower during the three month period ending March 2012 when compared to the same period in 2011 reflecting lower administrative spending in Peru due to staffing cutbacks, lower non-property related exploration costs in Peru as the Company sought to preserve capital, as well as lower share-based compensation.

Salaries and benefits were lower during the three month period ending March 31, 2012 when compared to the same period in 2011 due to staff cut backs and reductions in fees paid to the Company's Board of Directors.

Other general and administrative expenses were lower during the three month period ending March 31, 2012 when compared to the same period in 2011 as overhead costs were kept to a minimum in order to preserve capital. During the first quarter of 2011, the Company incurred recruiting fees for the hiring of significant personnel. There were also less expenditures incurred during the first quarter of 2012 relating to travel and shareholder information when compared to the same period in 2011.

Consulting and management fees were lower during the three month period ending March 2012 when compared to the same period in 2011 due to fewer consultants being engaged by the Company compared to the same period in 2011.

As a result of share options vesting and the amortization of previous grants, during the three months ended March 31, 2012 the Company recognized $120,624 (March 31, 2011 – $310,775) as share-based compensation expense and recorded this amount in share based payment reserve. These amounts were recorded as follows:

	THREE MONTHS ENDED MARCH 31, 2012	THREE MONTHS ENDED MARCH 31, 2011
Consulting and management fees	$ 9,675	$ 70,295
General exploration	27,098	154,672
Salaries and benefits	83,851	85,818
Total	$ 120,624	$ 310,785

There were no share options granted during the first quarter of 2012. The amount expensed during the period represents the amortization of share-based compensation for grants issued in prior years. The value of the share options granted is determined using the Black-Scholes option pricing model. During the first quarter of 2011, the weighted average grant-date fair value of $0.39 for each option granted was estimated using the following weighted average assumptions: no dividends are to be paid; volatility of 95%; risk free interest rate of 2.3%; and expected life of 3.5 years. Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable measure of the fair value of the share purchase options.

During the three month period ending March 31, 2012 the Company incurred a foreign exchange loss of $2,536 compared to $20,100 during the same period in 2011. Foreign exchange gains and losses result primarily from the translation of U.S. dollar and Peruvian nuevo sol denominated monetary assets and liabilities into Canadian and U.S. dollars, respectively.

PROPERTY REVIEW

Accha Zinc Oxide District ("AZOD")

AZOD covers over 50,000 hectares and hosts zinc and lead oxide mineral resources at both the Accha and Yanque deposits. The Accha deposit is at the north end of the District and the Yanque deposit is 30 kilometres to the south. Mineralization has been identified in nine other locations in the district and initial exploration on certain targets has been completed. These nine other locations have the potential to add to the resources at the district. Zincore management views the AZOD as a single operation. To that end, the Company has re-modelled previously completed results to optimize the resources and tested a laboratory and pilot scale metallurgical process that would be used at a central processing facility for the entire district. In the middle of October 2011, the Company received a Preliminary Economic Assessment relating to the AZOD, prepared by AMEC, which is the first third party validation of the economics of this project as a mining operation.

During 2010 formal agreements were signed with the main community holding the surface rights to the Accha and Yanque deposit areas, giving the Company access to the respective areas for a five year period. Zincore also signed a similar access agreement with the closest neighbouring community to Accha, giving the Company access to that area for a two year period. The Company slowed down its work on the PFS during the first quarter of 2012 in order to conserve capital. However, as a result of the equity financing completed in March 2012, the Company will now resume its work and hopes to have the PFS completed during the first half of 2013.

Preliminary Economic Assessment ("PEA")

On October 13, 2011 the Company announced it had received a positive PEA for the development of the AZOD project. The PEA, prepared by AMEC, recommends a Pre-Feasibility Study for the project. The PEA considered two scenarios for the production of final products for sale. A Base Case investigated further processing of the concentrate by the Company to produce a special high grade zinc ingot and lead sulphate by-product, while an alternate scenario (the "Fume Case") considered selling the zinc-lead oxide concentrate to a third-party refinery.

HIGHLIGHTS FROM THE PEA INCLUDE:

	NPV PRE-TAX	NPV AFTER-TAX	IRR PRE-TAX	IRR AFTER-TAX	CAPEX	PAYBACK PERIOD	CASH COST / POUND OF ZINC
Base Case	US$ 232M	US$ 140M	20.3%	16.5%	US$ 330M	4.1 years	US$ 0.18
Fume Case	US$ 271M	US$ 176M	30.1%	24.3%	US$ 194M	2.9 years	US$ 0.40

Assumptions

- Zinc price of US$0.95/lb and Lead price of US$0.87/lb
- 8% discount rate
- 20% contingency applied to CAPEX Direct and Indirect Cost estimates
- Tax rate of 30% Fume Case – 80% payability of zinc oxide and 60% payability of lead oxide
- A buyer of the lead-zinc oxide concentrate from the Fume Case, which would give the assumed level of payability, has not been identified
- Cash Cost/Pound of Zinc payable is net of lead credits and includes US$0.05/lb premium for super high grade cathode

AMEC constructed a mineral resource model for the Yanque Deposit portion of AZOD for use in the PEA. The new Mineral Resource estimate, which replaces the previous estimate announced by Zincore in 2008, totals 12.5 Mt of Inferred Mineral Resources with an average grade of 3.5% Zn and 3.7% Lead within a Mineral Resource pit shell constructed considering a zinc price of US$ 1.08/lb Zinc and US$ 1.00/lb Lead. Mineral Resources were estimated by Chris Wright, P.Geo. of AMEC, a Qualified Person as defined under NI 43-101, and have an effective date of May 31, 2011.

The PEA is preliminary in nature, and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized. Mineral resources are not mineral reserves as they do not have demonstrated economic viability. For full details please see news release dated October 13, 2011 available on the Company's website at www.zincoremetals.com or on SEDAR. The final technical report was filed on SEDAR on November 16, 2011.

Accha Resources

Zincore retained Micon International Limited ("Micon") in 2010 to prepare a resource estimate for Accha. Micon identified a strong correlation between a Coral Reef facies (a very porous type of rock) and the highest grades of zinc mineralization. Zincore generated cross-sections through the best, near surface mineralization to confirm this interpretation. Four north/south cross-sections at 186600E, 186650E, 186700E and 186750E were generated and the correlation between Coral Reef and high grade zinc mineralization was clearly visible. Micon used this sectional interpretation to build a three-dimensional wireframe model of a 300 metre long portion of the Accha deposit from sections 186500E to 186800E. Micon's wireframe model confirmed that the higher grade zinc and lead mineralization occurs in a continuous body, enhancing the understanding of the Accha deposit. Micon proposed 5,760 metres of in-fill diamond definition drilling, which Zincore completed in early November 2010. All historical drill holes were re-logged and some surface work was done including mapping and trenching to locate the contacts between the high grade and lower grade sections of the deposit.

Following the completion of the recommended drill program, Micon constructed a new model of the entire Accha deposit and generated a new Mineral Resource Estimate. The results of the resource estimate were published on March 21, 2011 and the accompanying NI 43-101 Technical Report was filed on May 6, 2011. Measured Resources comprise almost 56% of the combined Measured and Indicated contained metal(zinc and lead) total.

At a 2% cutoff, the deposit contains measured resources of 2.492 million tonnes at 8.71% zinc and 0.78% lead (478 million lbs zinc and 43 million lbs lead). Combined measured and indicated resources total 5.563 million tonnes at 7.01% zinc and 0.82% lead (860 million lbs zinc and 100 million lbs lead). In addition, there are 1.276 million tonnes at 4.60% zinc and 0.65% lead (129 million lbs zinc and 18 million lbs lead) in the inferred category. It is important to note that the Micon resource calculations were done using a capping factor while the previous resource calculations (prepared by Pincock Allen & Holt) reported uncapped and therefore the Micon figures are considered more conservative than the previously reported numbers. Micon's report was used by AMEC in preparing the PEA.

In late June 2011, Zincore personnel initiated detailed mapping and trenching to the west of the area covered by the 2010 definition drilling program at Accha in an effort to continue following the northern limb zone intersected in last year's work. Several trenches on the interpreted northern limb extension of the deposit intersected outcrops of high grade reef mantos over several metres. The Company is confident that these outcrops represent a new zone lying above the main Accha deposit which opens up excellent exploration potential for increasing the overall size of the resources. Zincore is planning to implement a new exploration drilling program to test for continuity of this zone.

Yanque Resource Estimate

A resource estimate for the Yanque deposit was prepared by AMEC as part of the PEA. This estimate comprises 45 holes previously drilled by Zincore (21 of which provided the basis for a mineral resource estimate prepared by PAH, which Zincore announced on March 3, 2008) but does not include the results of a 2011 definition drilling program. The Inferred Mineral Resource estimate for the Yanque deposit consists of 12.5 million tonnes with an average grade of 3.5%

Zinc and 3.7% Lead within a Mineral Resource pit shell constructed considering a zinc price of US$ 1.08/lb zinc and US$ 1.00/lb lead. All of the resources are near surface and amenable to open pit mining. Mineral Resources were estimated by Chris Wright P.Geo. of AMEC, a qualified person as defined under NI 43-101, with an effective date of May 31, 2011. Mineral Resources for Yanque have been estimated according to the Best Practices guidelines adopted by the CIM and recognized in NI 43-101. The results of the 2011 definition drilling program at Yanque will be incorporated in the Prefeasibility Study for the AZOD project expected to be completed in 2013.

The 45 holes (totalling 6,527 metres) used for the resource estimate were drilled in 2008 when Zincore completed a first phase drilling program. The PAH resource estimate, estimated that Yanque contains 10.3 million tonnes of near surface zinc and lead oxide inferred mineral resources grading 5.3% zinc and 5.3% lead. Zincore commenced a Yanque definition drilling program in early 2011. On March 23, 2011, the Company announced assay results from the first ten diamond drill holes of in-fill definition drilling at its Yanque project. Highlights from these ten holes include: 98.61 g/tonne silver and 13.64% zinc equivalent over 13.0 metres and 32.72 g/tonne silver and 9.14% zinc equivalent over 4.0 metres in hole YA-49; 25.46% zinc equivalent over 12.0 metres in hole YA-52; 11.94% zinc equivalent over 11.0 metres and 10.53% zinc equivalents over 7.0 metres in hole YA-54; 11.53% zinc equivalent over 6.0 metres in hole YA-48 and 7.39% zinc equivalent over 54.6 metres in hole YA-54.

On May 19, 2011, the company announced assay results from sixteen additional holes. Highlights from these holes included: 18.89% zinc equivalent over 5.0 metres and 7.92% zinc equivalent and 38.2 g/tonne Ag over 12.0 metres in hole YA-70; 15.62% zinc equivalent over 5 metres in hole YA-61; 13.95% zinc equivalent over 6.0 metres in hole YA-67; 10.83% zinc equivalent over 10.0 metres in hole YA-64; 10.22% zinc equivalent over 6.5 metres in hole YA-56 and 6.02% zinc equivalent and 21.4 g/tonne silver over 10.5 metres in hole YA-63.

On June 21, 2011, the company announced assay results from nine additional holes. Highlights from these holes include: 7.29% zinc equivalent over 56.9 metres, including 15.11% zinc equivalent over 14.0 metres and 14.81% zinc equivalent over 6.0 metres in hole YA-72; 15.06% zinc equivalent over 13.6 metres, including 19.6% zinc equivalent over 8.6 metres in hole YA-78; 13.85% zinc equivalent over 9.0 metres in hole YA-80; and 11.56% zinc equivalent over 6.0 metres in hole YA-77.

On November 23, 2011, the company released the results from the last thirty-eight holes from the definition drilling program. Highlights of these holes include: 18.53% Zinc equivalent over 9.0 metres in hole YA-126, 13.54% zinc equivalent over 11.0 metres in hole YA-94, 13.04% zinc equivalent over 10.5 metres in hole YA-97, 12.55% zinc equivalent over 19 metres in hole YA-96, 12.94% zinc equivalent over 6.0 metres in hole YA-105, 12.63% zinc equivalent over 7.0 metres in hole YA-104 and 11.18% zinc equivalent over 7.0 metres in hole YA-128.

The results of the Yanque definition drilling program have been very encouraging and have met with the Company's expectations. The next phase of work at Yanque is to carry out an exploration drilling program in the immediate vicinity of the currently known deposit in 2012 to test for possible extensions to the north, east, and south.

Metallurgy

Since the end of 2009, the Company has been working on optimizing the AZOD project by investigating other metallurgical procedures to increase recoveries and then having all the mineral resources from the District treated in one central processing facility. Laboratory testing during 2010 of a reductive roasting technology (Waelz Kiln) returned positive results of 97% zinc extraction from Accha and 76% zinc extraction from Yanque. The test work was carried out at the Mintek Research Facility in South Africa, under the supervision of Metallicon Process Consulting ("Metallicon"). The Company then decided to pilot test larger samples. A ten tonne representative sample from the Accha deposit was tested, with positive results, under the supervision of Metallicon and Hatch, at the CPSA plant located in Pacasmayo, Peru. For a head grade of 10.3% zinc and 1.1% lead, recoveries were in excess of 92% zinc and 99% lead which produced a calcine concentrate with grades greater than 65% zinc and 7% lead. A ten tonne representative sample from the Yanque deposit was collected and sent to the CPSA plant for testing under the same control conditions as Accha. For a head grade of 10.7% zinc and 1.8% lead, recoveries were in excess of 93% zinc and 98% lead which produced a calcine concentrate with grades greater than 61% zinc and 11% lead.

The results of the metallurgical test work were released in September 2010 and Metallicon's summary report is available on the Zincore website at www.zincoremetals.com. The test work to date on both the Accha and Yanque deposits confirms that a Waelz kiln can process material from different deposits while delivering high percentage recoveries and grades. More work needs to be done to optimize the process but the findings so far are positive for the economics for the whole Accha Zinc Oxide District.

Previous metallurgical work on Yanque samples using dense medium separation ("DMS") as a method of concentration indicated low zinc recovery, due to a high amount of zinc clays and zinc mineralogy that do not respond favorably to DMS.

Other Accha Zinc Oxide District Prospects

Located within the Accha Zinc Oxide District are as many as nine other zinc oxide prospects, including Corrales, Gema, Puyani, Yanque East, and Titiminas West, on which the Company plans to perform further work.

The Gema Properties are located adjacent to Zincore's Yanque Project; the main Gema prospect is nine kilometres northwest of Yanque. Gema is hosted in the same oxidized limestones as Yanque, with mineralized gossans that outcrop sporadically. There is no evidence of previous exploration other than small pits by artisanal miners. Several mineralized mantos have been identified in three separate areas of concentration, along strike over a distance of more than one kilometre. The mantos average between one and four metres in width and contain anomalous values of lead, zinc, silver and locally gold. A two metre channel sample collected by Zincore personnel from one of the mantos returned values of 0.7 g/t gold, 189g/t silver, 8.38% lead and 1.16% zinc.

The Company continues in its efforts to reach an access agreement on the Gema area. Recent discussions indicate a willingness to negotiate on the part of some community leaders. The company remains confident that an agreement is within reach but this will require patience to allow all the community residents a chance to express their views. Past experience has shown that patience is the key in reaching an agreement based on mutual confidence and trust. Once the access agreement is reached, Zincore's Gema exploration program will consist of detailed mapping and trenching to better define the continuity and grades of the mineralized gossans.

Dolores

In 2008 the Company discovered a copper-molybdenum porphyry target east of Yanque called Dolores. A large target area was identified, however sampling and assaying were confined to a road cut that exposed the underlying mineralization and returned encouraging high-grade values.

In 2010 surface mapping, sampling and geophysical work confirmed that the Dolores prospect forms a large porphyry system that is approximately six kilometres in diameter. High grade copper-gold mineralization associated with classic potassic and phyllic alteration within a larger argillic halo exposing characteristic multiple phase porphyritic intrusions, hydrothermal breccias, dense stock-work veining and peripheral skarn mineralization are exposed along a recently improved access road to the community of Yanque.

VDG del Peru SAC of Lima was contracted to carry out a deep reconnaissance IP survey over 22 square kilometres with 500 metre line-spacing (48 line kilometres). Magnetic and Gamma Spectrometry were also completed within the same target area at 250 metre line spacing (92 line kilometres).The survey was completed late in 2010 and results confirmed the presence of large chargeability and magnetic anomalies that are consistent with porphyry style mineralization. Drilling started in early 2011 following the approval of the first stage drill permit and results from the first two holes were released on March 3, 2011. The results from the second hole indicated consistent and evenly distributed copper and molybdenum mineralization throughout the length of the hole, including 0.27% copper equivalent over 297 metres. The mineralization was encountered just below the surface (at about 18 metres) and extended to 315 metres with no zero grade intervals. No significant values were intercepted for the first drill hole, which is located almost two kilometres from the second one and which intersected what is believed to be a younger, unmineralized intrusive within the Dolores system.

Results of the last eight holes drilled were released in early October 2011. Highlights include: 0.32% copper equivalent over 144.4 metres, including 0.49% copper equivalent over 72.4 metres in hole DOL-9; 0.29% copper equivalent over 116 metres in hole DOL-10; and 0.20% copper equivalent over 33.7 metres in hole DOL-7. Copper equivalent totals were calculated using TD Newcrest long term prices of US$2.25/lb copper and US$15/lb molybdenum with metallurgical recoveries and net smelter returns assumed to be 100%.

Holes DOL-2, 7, 9, and 10 all intersected moderate potassic alteration in the mineralized diorite porphyry along with moderate to strong quartz veining over significant widths. In addition, holes DOL-6, 7 and 8 intersected wide sections of garnet skarn with anomalous to sub-economic copper values over 4 to 8 metre intervals.

Company geologists have extended the geological mapping and sampling southward in order to better understand the vectors controlling the emplacement of the copper-molybdenum mineralization. This work has confirmed that the altered and mineralized porphyry extends to the south for at least another 1.5km and possibly further.

Recent trenching south of the drilled area in 2011 returned 52.0m of 0.76% copper equivalent from continuous channel samples. Trench One is located in an undrilled area 450 metres south of hole DOL-10 and 1 kilometre west hole DOL-9 respectively, two of the most highly prospective holes drilled on the Dolores property to date. The copper and molybdenum mineralization is hosted within the same altered quartz diorite porphyry cut in the drill holes and mineralization intersected to date on the property consists of primary sulphides. Continuous 1.0 metre chip samples across the trend of the mineralized trench have returned: 52 metres of 0.67% copper, 165 ppm molybdenum as well as anomalous gold and silver values. Additional trenching and mapping is on-going to better define the extent of the mineralized porphyry prior to initiating the next phase of drilling.

Minasccasa

No work was done on the 100%-owned Minasccasa property, located in the Andahuaylas-Yauri metallogenic belt in southern Peru, 400 km southeast of Lima, due to the difficulty of reaching an agreement with local communities. Discussions with the local communities are on-going.

QUARTERLY FINANCIAL INFORMATION

This selected consolidated financial data should be read in conjunction with the Company's unaudited interim consolidated financial statements for the three month periods ended March 31, 2012 and 2011 and the audited consolidated financial statements for the years ended December 31, 2011 and 2010.

FISCAL QUARTER ENDED	MAR 31, 2012	DEC 31, 2011	SEPT 30, 2011	JUN 30, 2011	MAR 31, 2011	DEC 31, 2010	SEP 30, 2010	JUN 30, 2010
Interest and other income	$ 5,858	$ 11,780	$ 13,764	$ 11,023	$ 22,855	$ 20,958	$ 7,999	$ 4,328
Net loss	$ (800,774)	$ (1,845,193)	$ (1,749,851)	$ (1,226,236)	$ (1,815,808)	$ (2,632,182)	$ (879,649)	$ (982,260)
Net loss per share	$ (0.00)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.01)	$ (0.01)
Total assets	$ 35,471,610	$ 32,230,214	$ 34,006,278	$ 33,627,372	$ 29,255,146	$ 31,053,966	$ 23,491,636	$ 22,293,545
Total liabilities	$ 497,948	$ 1,067,376	$ 644,818	$ 767,194	$ 1,009,996	$ 803,716	$ 1,483,079	$ 1,815,456

In general, overall spending levels have varied commensurate with the changes in the Company's exploration, development and corporate activities. Quarterly variances in net loss have generally been impacted by four key factors: mineral property impairments, share-based compensation expense, foreign exchange gains or losses, and general exploration expense.

During the first quarter of 2012, the Company was in the process of downsizing in order to preserve capital and streamline operations. During the third quarter of 2011, the Company wrote off mineral property expenditures totalling $693,802 relating to the Gatineau project. During the second quarter of 2011, the Company recorded $169,487 in share-based compensation and $159,000 in exploration costs on the Sajapampa project that had been previously impaired in the fourth quarter of 2010. During the first quarter of 2011, the Company recorded $310,785 in share-based compensation and $247,000 in exploration costs on the Sajapampa project. There were also recruiting fees for the hiring of key personnel in Peru and the first quarter of 2011 expenditures also reflect salary raises given to key personnel in 2010 and income tax expense of $131,000 due to the renunciation of expenditures as a result of a flow through financing done in March 2010.

During the fourth quarter of 2010, the Company expensed mineral property costs of $897,840 relating to previously capitalized properties.

Share-based compensation expense is impacted by vesting schedules, forfeitures and the number of options granted. Foreign exchange losses vary based on the strengthening or weakening of the Canadian dollar relative to the U.S. dollar and Peruvian soles as well as U.S. dollar denominated cash balance. Interest income varies with changes in cash balances and interest rates.

General exploration expense varies depending on the focus of activities within the Company. During periods where the Company is evaluating new opportunities or establishing a presence in a country, general exploration expense is typically higher than in other periods.

Total assets in the first quarter of 2012, second quarter of 2011, fourth quarter of 2010, and the third quarter of 2010, increased primarily as a result of equity financings, and a large increase in liabilities in the second quarter of 2010 resulted primarily from firm one year commitments the Company agreed to pursuant to the Gatineau, Cariboo, and Sajapampa property agreements. There have been no firm commitments outstanding since the end of the fourth quarter of 2010. There has also been significant metallurgical and drilling activity on the AZOD project, as well as drilling on the Dolores project, which has contributed to the increased asset and current liability levels over the periods. There was a decrease in total assets during the fourth quarter of 2011 primarily due to the decrease in the value of the US dollar and the resulting translation of the Company's assets to Canadian dollars which is the Company's presentation currency.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Zincore is a mineral exploration company and as such is not in commercial production at any of its mineral properties and, accordingly, it does not generate cash from operations. Zincore will need to raise additional funds through future issuance of securities. Although Zincore has been successful in raising funds in the past, there can be no assurance Zincore will be able to raise sufficient funds in the future, in which case Zincore may be unable to meet its obligations as they come due in the normal course of business. Zincore has not determined whether any of its properties contain mineral reserves that are economically recoverable. It is not possible to predict whether financing efforts will be successful or if Zincore will attain a profitable level of operations. Since inception, Zincore has incurred cumulative losses of $23,794,631 as at March 31, 2012 and a comprehensive loss for the three month period ended March 31, 2012 of $1,336,286. These factors may cast significant doubt regarding Zincore's ability to continue as a going concern. Should Zincore be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts on the statements of financial position.

On March 16, 2012, the Company raised, by way of a non-brokered private placement, gross proceeds totalling $5,405,000 by issuing 27,025,000 units at $0.20 per unit. Each unit consisted of one common share and one-half common share purchase warrant. Each whole share purchase warrant will entitle the holder to purchase one common share at $0.30 for up to 2 years. These warrants were valued at $1,475,375 by using the Black-Scholes options pricing model assuming no dividends are to be paid, volatility of 89%; risk free interest rate of 1.12%; and an estimated life of 2 years. The Company paid fees totalling $378,514 in connection to this private placement.

As at March 31, 2012, Zincore had working capital of $4,925,976 compared to $1,040,164 at December 31, 2011. Working capital consists of current assets less current liabilities. The working capital increase was due to the equity financing completed in March 2012, partially offset by technical studies and camp maintenance on the Accha Zinc Oxide District, trenching and sampling on the Dolores project, and general corporate activities both in Canada and Peru. Expenditures on the Accha Zinc Oxide District and Dolores property during first quarter of 2012 totalled $545,342 and $60,974 respectively. Expenditures on all the Company's projects totalled $606,316. Exploration expenditures were reduced significantly from previous periods as the Company was preserving capital until an equity financing could be completed.

Zincore does not hold any asset-backed commercial paper and has current liabilities as at March 31, 2012 totalling $497,948. Accounts payable and accrued liabilities relates principally to trade payables.

The Company's material contractual obligations are for an office sub-lease entered into in September 2010 and expiring in September 2017.

	TOTAL	2012	2013	2014	2015	2016-2017
Operating lease obligations	$ 943,075	$ 127,397	$ 172,146	$ 173,516	$ 176,256	$ 293,760

In March 2012 the Company signed an agreement to sublease its current office space until September 2017 which will enable it to fully offset the remaining commitment relating to its operating lease obligations.

OFF-BALANCE SHEET TRANSACTIONS

The Company does not utilize off-balance sheet transactions.

RELATED PARTY TRANSACTIONS

The Company paid remuneration for management services to a company controlled by a director. Details of these related party transactions are as follows:

	THREE MONTHS ENDED MARCH 31, 2012	THREE MONTHS ENDED MARCH 31, 2011
Remuneration paid to a company controlled by a director for contracting services	$ 57,345	$ 86,028

PROPOSED TRANSACTIONS

As is typical of the mineral exploration and development industry, Zincore is continually reviewing potential merger, acquisition, investment and joint venture transactions and opportunities that could enhance shareholder value.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Zincore's financial instruments consist of cash and cash equivalents, exploration advances and other receivables, and accounts payable. The Company has designated its cash and cash equivalents as financial assets at fair value through profit or loss, which are measured at fair value. Advances and other receivables are classified as loans and receivables, which are measured at amortized cost. Accounts payable are classified as other financial liabilities, which are measured at amortized cost.

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Critical accounting policies and estimates are disclosed in notes 2(o) and 2(p) to the Company's audited consolidated financial statements for the years ended December 31, 2011 and 2010. Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- the recoverability of prepaids, exploration advances, and receivables which are included in the consolidated statements of financial position;
- the carrying value of the short – term investments and the recoverability of the carrying value which are included in the consolidated statements of financial position;
- impairment of non-financial assets;
- the estimated useful lives of property, plant and equipment which are included in the consolidated statements of financial position and the related depreciation included in the consolidated statements of comprehensive loss;
- the inputs used in accounting for share-based compensation expense in the consolidated statements of comprehensive loss;
- the provision for income taxes which is included in the consolidated statements of comprehensive loss and composition of deferred income tax assets and liabilities included in the consolidated statement of financial position at March 31, 2012; and
- The inputs used in determining the various commitments and contingencies accrued in the consolidated statements of financial position.

CHANGES IN ACCOUNTING POLICIES

Certain new accounting standards and interpretations have been published that are not mandatory for the March 31, 2012 reporting period. The following standards are assessed not to have any impact on the Company's financial statements:

IFRS 9, Financial Instruments: effective for accounting periods commencing on or after January 1, 2015; and

IFRS 10, Consolidated Financial Statements: effective for accounting periods commencing on or after January 1, 2013;

IFRS 11, Joint Arrangements: effective for accounting periods commencing on or after January 1, 2013;

IFRS 12, Disclosure of Interests in Other Entities: effective for accounting periods commencing on or after January 1, 2013;

IFRS 13, Fair Value Measurement: effective for accounting periods commencing on or after January 1, 2013;

IAS 27 (2011), Consolidated and Separate Financial Statements: effective for accounting periods commencing on or after January 1, 2013;

IAS 28 (2011), Investments in Associates and Joint Ventures: effective for accounting periods commencing on or after January 1, 2013;

Amendments to IAS 1, Presentation of Items of Other Comprehensive Income: effective for accounting periods commencing on or after July 1, 2012.

SHARE CAPITAL INFORMATION

As at the date of this MD&A, Zincore has an unlimited number of common shares authorized for issuance, with 191,330,075 common shares issued and outstanding.

As at the date of this MD&A, Zincore has 9,028,331 stock options outstanding with a weighted average exercise price of $0.34 per option. Of this total, 8,158,330 stock options are exercisable with a weighted average exercise price of $0.34. As well the Company has 31,405,786 warrants outstanding the details of which are as follows:

AMOUNT	EXERCISE PRICE		EXPIRY DATE
13,512,500	$	0.30	MARCH 16, 2014
11,450,000	$	0.40	JUNE 15, 2014
4,154,286	$	0.45	JULY 5, 2012
1,602,000	$	0.48	NOVEMBER 8, 2012
687,000	$	0.41	DECEMBER 15, 2012
31,405,786			

The Company has two classes of preferred shares authorized with none issued.

DISCLOSURE CONTROLS AND PROCEDURES

As required by Multilateral Instrument 52-109, management is responsible for the design, establishment and maintenance of disclosure controls and procedures over the public disclosure of financial and non-financial information regarding the Company, and internal control over financial reporting to provide reasonable assurance regarding the integrity of the Company's financial information and reliability of its financial reporting. Management maintains appropriate information systems, procedures and controls to ensure integrity of the financial statements and maintains appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete and reliable. The Company has a Disclosure and Stock Trading Policy and a Disclosure Committee in place to mitigate risks associated with the disclosure of inaccurate or incomplete information.

The Company's management, with the participation and under the supervision of its Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), have designed the disclosure controls and procedures to provide reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, is made known to them on a timely basis; and designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of the Company's financial reporting.

The Company has maintained accounting personnel in Peru, and contracts with third parties in Mexico. Although the Company's finance staff is small in number management believes appropriate segregation of duties within the finance department has been maintained. However where segregation of duty deficiencies exist, the Company relies on certain compensating and detection controls, including dual signatories on all cash disbursements, review and approvals of all bank reconciliations by persons other than the preparer, and quarterly and annual review of financial statements, and other information by the Audit Committee.

An evaluation of the effectiveness of the Company's disclosure controls and procedures was conducted as of December 31, 2011. Based upon the results of that evaluation, the Company's CEO and CFO have concluded that as of the end of the period covered by this report, the Company's disclosure controls and procedures were effective in providing reasonable assurance that the material information relating to the Company was made known to them on a timely basis and was processed and disclosed within the appropriate reports and time periods.

The Company's management believes that any disclosure controls and procedures or internal controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Due to the inherent limitations in all controls systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected. The Company has a policy to have its external auditors review its quarterly financial statements.

There has been no change in the Company's internal control over financial reporting during the three month period ended March 31, 2012 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.