HARTE GOLD CORP.
Management's Discussion and Analysis of Financial Condition and Results of Operations
for the three month period ended February 28, 2010

This Management's Discussion and Analysis ("MD&A") is written as of April 28, 2010 and is Management's assessment of the operations and the financial results together with future prospects of Harte Gold Corp. ("Harte", "Corporation", or the "Company"). This MD&A should be read in conjunction with our audited consolidated financial statements and related notes for the years ended November 30, 2009 and 2008, prepared in accordance with Canadian generally accepted accounting principles. All figures are in Canadian dollars unless stated otherwise. This discussion contains forward-looking statements that are not historical in nature and involve risks and uncertainties. Forward-looking statements are not guarantees as to Harte's future results as there are inherent difficulties in predicting future results. Accordingly, actual results could differ materially from those expressed or implied in the forward-looking statements. The Company has adopted National Instrument 51-102F1 as the guideline in presenting the MD&A. Additional information regarding the Company's activities can be found on SEDAR at www.sedar.com.

Cautionary Note Regarding Forward-Looking Statements

This MD&A includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of Management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Such risks and uncertainties include, but are not limited to, risks associated with the mining industry, including operational risks in exploration, development and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections in relation to production, costs and expenses; the uncertainty surrounding the ability of the Company to obtain all permits, consents or authorizations required for its operations and activities; and health, safety and environmental risks, the risk of commodity price and foreign exchange rate fluctuations, the ability of Harte to fund the capital and operating expenses necessary to achieve the business objectives of Harte, the uncertainty associated with commercial negotiations and negotiating with foreign governments and risks associated with international business activities, as well as those risks described in public disclosure documents filed by the Company. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in securities of the Company should not place undue reliance on these forward-looking statements. Statements in relation to "reserves" or "resources" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves or resources described may be profitably produced in the future.

Readers are cautioned that the foregoing list of risks, uncertainties and other factors are not exhaustive. The forward-looking statements contained in this press release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The forward-looking statements are expressly qualified by this cautionary statement.

Outlook

The Company currently holds interests in the Sugar Zone ("Sugar Zone") and Stoughton-Abitibi properties located in Ontario, Canada. The Sugar Zone is located 60 kilometres east of Hemlo, Ontario and contains an NI-43-101 compliant resource of 284,000 ounces of gold grading 9.75 grams/tonne and is held under a Joint Venture with Corona Gold Company ("Corona").

On March 5, 2010, the Company entered into a Letter Agreement with Corona to acquire an Option on Corona's 51% interest in the Sugar Zone. The terms of the Option provide for:

1) An initial payment of $10,000 and the issuance of that number of common shares equal to 9.9% of the issued and outstanding common shares of Harte as at the date of the Letter Agreement and after giving effect to the issuance of such shares..

2) A $2 million cash payment on the execution of a Comprehensive Agreement, which is to be completed no more than ninety (90) days from the date of the Letter Agreement, together with the issuance of such additional number of common shares as will result in Corona holding 9.9% of the issued and outstanding common shares of Harte as at the date of the Comprehensive Agreement and after giving effect to the issuance of such shares.

3) A $90,000 cash payment on or before each sixth month anniversary of the Comprehensive Agreement until payments total $2,500,000 on or before the second anniversary of the Comprehensive Agreement or $3,000,000 on or before the third anniversary of the Comprehensive Agreement.

The Company satisfied the payment obligations under No. 1 above as of March 10, 2010 and as such is the Operator of the joint venture for as long as the Option is in good standing.

As Operator, the Company will accelerate the pace of exploration at the Sugar Zone and looks forward to a comprehensive exploration program designed to expand the current resource and test numerous targets along the seven (7) kilometer mineralized structure on strike of the current resource that was identified in the summer 2009 exploration program.

Current initiatives include:

- As of the date hereof, the Company has released assay results from the first three drill holes of a 2,000 meter diamond drill program designed to test possible extensions at depth of the NI-43-101 compliant resource at the Sugar Zone.
- Each of the drill holes returned gold mineralization with visible gold ("VG") present in each of the three drill holes.
- Management is pleased to confirm extensions at depth of the NI-43-101 compliant resource at the Sugar Zone. Both the widths and the grades from the first three drill holes are consistent with the widths and grades of the NI 43-101 inferred resource of 284,000 grading 9.75 grams/tonne of gold.
- The Company will proceed with working capital and flow through private placement financings to provide working capital for corporate operations, including the Option payment due under No. 2 above, and to fund additional mineral exploration. Closings for these private placements are expected to occur during May and June.

Description of Business

Harte is involved in the acquisition, exploration and development of mineral resource properties, with a current focus on gold properties located in the Province of Ontario, Canada.

The Company was incorporated in Ontario on January 22, 1982 and is a reporting issuer in the Provinces of Ontario, Alberta and British Columbia. The common shares of the Company are listed for trading on the TSX Venture Exchange under the symbol "HRT" and on the Frankfurt Stock Exchange under the symbol "H4O".

The Company currently has interests in two advanced exploration projects: the first is the Sugar Zone property, 60 km east of the Hemlo area gold mines, located on the north shore of Lake Superior in the Province of Ontario and the second property, Stoughton-Abitibi (formerly Stoughton-Porcupine), is located 110 km east of Timmins and 50 km north east of Kirkland Lake, Ontario.

Overall Performance

Three months ended February 28, 2010

The three months ended February 28, 2010 raised $701,334 under working capital and flow through financings to provide working capital for corporate operations and funds for mineral exploration.

During the period, the Company was engaged in negotiations with Corona Gold Corp. ("Corona") regarding an Option to acquire Corona's 51% interest in the Sugar Zone property. As indicated above these negotiations culminated in an agreement signed March 5, 2010 and on payment of the obligations described in the Outlook section above, Harte assumed the role of Operator of the joint venture for as long as the Option is in good standing.

As Operator, the Company will accelerate the pace of exploration at the Sugar Zone and looks forward to a comprehensive exploration program designed to expand the current resource and test numerous targets along the seven (7) kilometer mineralized structure on strike that was identified in the summer 2009 exploration program.

As of the date hereof an initial 2,000 metre diamond drill program to test possible extensions at depth of the NI-43-101 compliant resource at the Sugar Zone is near completion and assay results released in a news release dated April 22, 2010 confirm the extension of the Sugar Zone mineralization at depth.

During the quarter, the Company completed its internal audit of interest charges and penalties associated with historical flow-through financings. Following consultations with the Canada Revenue Agency ("CRA") management made a decision to include in the audited financial statements for the year ended November 30, 2009 a provision of $146,500 to reflect the interest charges and penalties that are likely under the Part XII.6 provisions in the Income Tax Act. In addition, the Company may be obligated to reimburse investors for an estimated amount of $283,300 in tax liabilities due to CRA re-assessments which re-assessments are a result of flow through funds not spent within prescribed time limits. A provision for such potential liability was also recorded in the accounts at November 30, 2009. The Company is approaching CRA with a proposal to minimize payments associated with the above.

The Company has determined that it will file a claim in an amount equal to or greater than penalties, interest and any re-assessment amounts levied by CRA, against the directors and officers retained, employed or otherwise engaged by the Company during the relevant period.

For the period ended February 28, 2009 the Company's cash and cash equivalent position increased to $620,852 from $29,166 at November 30, 2009. This increase is due to funds raised by the Company during the current reporting period less exploration expenditures and corporate expenses incurred.

Results of Operations

Financial	**February 28, 2010**	February 29, 2009
Income / (Loss) before taxes	**$(80,361)**	$ (614,417)
Net Income / (Loss)	**$32,472**	(614,417)
Income / (Loss) per weighted average share – basic and fully diluted	**$0.001**	$(0.014)

Balance Sheet	**February 28, 2010**	November 30, 2009
Total Assets	**$2,773,449**	$2,139,915

Capitalized mineral properties and deferred expenditures	**$2,150,925**	$2,109,768

Expenses for the Three Months Ended February 28	**2010**	2009
Stock-based compensation	**$7.785**	$256,410
Office and general	**6,239**	42,120
Management and consulting	**42,500**	32,800
Directors fees	**0**	800
Professional fees	**12,722**	78,600
Promotion and travel	**3,553**	17,772
Shareholder information	**7,648**	185,915

The Company realized net income of $32,472- or $0.001 per share for the three months ended February 28, 2010, compared with a net loss of $614,417 or $(0.014) per share for the same period in 2009 which change is due to the following:

- The Company incurred $7,785 in stock-based compensation expense for the three months ended February 28, 2010 compared to $256,410 for the same period in 2009, which reflects the limited awards to date in the current year. The 2009 awards were made in connection with the engagement of a new management team.
- Office and general expense declined to $6,239 for the three months ended February 29, 2010 ($42,120 in the same period in 2009) as management sought to minimize overhead costs.
- Professional fees were $12,722 for the three months ended February 28, 2010 ($78,600 in the same period in 2009) with most of the decline attributed to reduced legal costs.
- Promotion and travel expenses decreased for the three months ended February 28, 2010 to $3,553 compared to $17,772 in the same period in 2009, which decrease is attributable to management containing discretionary expenses.
- Shareholder information costs decreased to $7,648 in the three months ended February 28, 2010 ($185,915 in the same period in 2009). The higher prior year cost is attributable to the Special Shareholder Meeting held January 30, 2009.

Summary of Quarterly Results

	2010	2009				2008		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Total Revenue	$ -	$ -	$ -	$ 685	$ -	$ -	$ 1,150	$ 7,492
Net Income / (Loss)	32,472	(3,017,271)	(76,497)	(15,806)	(614,417)	4,081	(89,262)	(221,487)
Income / (Loss) per Share - basic and fully diluted	0.001	(0.073)	(0.001)	-	(0.014)	0.004	(0.002)	(0.005)

The quarterly results as previously reported have been adjusted for the re-statements as discussed in *Factors effecting Comparability of Quarters* below.

Factors Affecting Comparability of Quarters

Results of operations can vary significantly by quarter, as a result of a number of factors. The Company's level of activity and expenditures during a specific quarter are influenced by the level of working capital, the availability of external financing, the time required to gather, analyze and report on geological data related to its properties and the number of personnel required to advance each project.

The timing and amount of stock option grants affects the quarters. During Q1, the Company recorded stock option expenses of $7,785. During Q1 2009, the Company recorded stock option expense of $256,410 and $24,115 during Q2 of 2009. No expense was recorded in other quarters

Shareholder information expense of $185,915 was recorded in Q1 2009 versus $7,648 in Q1 2010. Q1 2009 also includes much higher professional fees, being legal fees related to the Q1 2009 Special Shareholders' Meeting.

A future income tax recovery of $112,833 was recorded in Q1 2010 ($128,905 in Q2 2009) related to flow-through share issuances.

Provisions for Part X11.6 interest and penalties, shareholder indemnification costs and mineral property impairment were recorded in Q4 2009.

Exploration Activities

Sugar Zone Property, Hemlo Gold Area

As described in the Outlook section above, the Company entered into a Letter Agreement for an Option with Corona dated March 5, 2010 to acquire Corona's 51% interest in the Sugar Zone. The Sugar Zone is located in Ontario, approximately 60 km east of the Hemlo area gold mines, 25 km north of White River off the Trans-Canada Highway (#17). The Property is subject to a 3.5% net smelter royalty in favour of the original Vendors and is held under a Joint Venture in which the Company owns a 49% interest and the remaining 51% is owned by Corona.

Geological studies conclude that the Sugar Zone hosts a gold deposit containing an NI-43-101 compliant resource of 283,500 oz. of gold grading 9.75 g/t au. As of the date hereof, the Company is conducting up to a 2,000 metre diamond drill program that will test possible extensions at depth of the NI-43-101 compliant resource at the Sugar Zone. As Operator, the Company will accelerate the pace and increase the scope of exploration at the Sugar Zone.

Stoughton-Abitibi Property, Timmins Porcupine Gold Area

The Stoughton-Abitibi property (formerly known as Stoughton-Porcupine property), is located along the Destor-Porcupine Fault, 110 km east of the Timmins, 50 km north-east of Kirkland Lake, Ontario and 10 km due east of the Holloway-Holt gold mine and mill and consists of a 90% interest in 9 claims and a 100% interest in 25 claims in the Larder Lake Mining Division of Ontario.

In view of the difficulties in raising equity for exploration projects, the Company has concluded that it should prioritize the Sugar Zone property and will not be funding exploration on the Stoughton-Abitibi property in the foreseeable future. Although the Company continues to evaluate alternative strategies for the Stoughton-Abitibi property, there is no longer sufficient certainty that capitalized exploration costs can be recovered and the Company recorded an impairment provision for the full amount of this property at November 30, 2009.

Liquidity and Capital Resources

The Company had positive working capital of $20,275 at February 28, 2010 (working capital deficiency of $544,939 at November 30, 2009).
The Company utilized $46,104 in cash for operations during the three months ended February 28, 2010 (2009 - $318,813) to cover overhead costs and working capital changes. During the three months ended February 28, 2010, $41,157 was spent on property exploration expenses (2009 - $9.347).

A non-brokered flow through unit private placement closed on December 18, 2008 under which 890,000 units at a price of $0.05 per unit were issued for gross proceeds of $44,500. Each unit consisted of one (1) common share and one-half (½) share purchase warrant. Each whole share purchase warrant is convertible into one (1) common share at an exercise price of $0.10 for a period of 12 month from Closing. The Company paid a finder's fee in the form of units equal to 10% of the Units issued.

A non-brokered flow-through unit private placement closed April 21, 2009 under which 2,916,666 units at a price of $0.12 per unit were issued for gross proceeds of $350,000. Each unit consisted of one (1) flow-through common share and one-half (½) share purchase warrant. Each whole share purchase warrant is convertible into one (1) non flow-through common share at a price of $0.20 per share until April 30, 2010 and thereafter at $0.24 until April 30, 2011. The Company paid a cash finder's fee equal to10% of gross proceeds and that number of broker warrants that is equal to 10% of the units issued. Broker warrants provide the right to acquire 291,666 units consisting of one common shares and one-half common share purchase warrant at a price of $0.12 per unit at any time until April 30, 2011. Each full warrant is exerciseable at $0.20 until April 30, 2010 and thereafter at $0.24 until April 30, 2011.

A non-brokered flow-through unit private placement closed April 30, 2009 under which 500,000 units at a price of $0.12 per unit were issued for gross proceeds of $60,000. Each unit consisted of one (1) flow-through common share and one-half (½) share purchase warrant. Each whole share purchase warrant is convertible into one (1) non flow-through common share at a price of $0.20 per share until April 30, 2010 and thereafter at $0.24 until April 30, 2011. The Company paid a cash finder's fee equal to10% of gross proceeds and that number of broker warrants that is equal to 10% of the units issued. Broker warrants provide the right to acquire 40,000 units consisting of one common shares and one-half common share purchase warrant at a price of $0.12 per unit at any time until April 30, 2011. Each full warrant is exerciseable at $0.20 until April 30, 2010 and thereafter at $0.24 until April 30, 2011.

A non-brokered unit private placement closed April 30, 2009 under which 2,100,000 units at a price of $0.10 per unit were issued for gross proceeds of $210,000. Each unit consisted of one (1) flow-through common share and one-half (½) share purchase warrant. Each whole share purchase warrant is convertible into one (1) non flow-through common share at a price of $0.20 per share until April 30, 2010 and thereafter at $0.24 until April 30, 2011. The Company paid a cash finder's fee applicable to certain orders, equal to 10% of gross proceeds and that number of broker warrants that is equal to 10% of the units issued pursuant to such orders. Broker warrants provide the right to acquire 154,000 units consisting of one common share and one-half common share purchase warrant at a price of $0.10 per unit at any time until April 30, 2011. Each full warrant is exerciseable at $0.20 until April 30, 2010 and thereafter at $0.24 until April 30, 2011.

A non-brokered private placement of 4,000,000 common shares closed on December 23, 2009 at a price of $0.05 per share for gross proceeds of $200,000. The Company paid a cash finder's fee of $6,000 plus 50,000 finder's warrants in respect of certain of the orders. The warrants are exerciseable at $0.10 per common share at any time up to June 22, 2011.

A non-brokered private placement of 6,447,624 flow-through common shares closed on December 23, 2009 at a procce of $0.07 per share for gross proceeds of $451,334. The Company paid a cash finder's fee of $5,780 plus 34,405 finder's warrants in respect of certain of the orders. The warrants are exerciseable at $0.10 per common share at any time up to June 22, 2011.

A non-brokered private placement of 1,000,000 common shares closed on January 18, 2010 at a price of $0.05 per share for gross proceeds of $50,000. The Company paid a cash finder's fee of $1,200 plus 10,000 finder's warrants in respect of certain of the orders. The warrants are exerciseable at $0.10 per common share at any time up to July 19, 2011.

The Company will require substantial additional funds to further explore and, if warranted, develop one or more of its exploration properties. The Company has limited financial resources and no current source of recurring revenue, and there is no assurance that additional funding will be available to the Company to carry out the completion of its planned exploration activities, for additional exploration or for the substantial capital that is typically required in order to place a property into commercial production. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and property development. The terms of any additional financing obtained by the Company could result in substantial dilution to the shareholders of the Company.

Various factors including the Company's exploration results could cause significant fluctuations in the price and volume of trading in the common shares of the Company.

As of the date hereof the Company is investigating the terms on which it may raise up to $3 million in working capital and up to $2 million in flow-through financing. Upon completion of such fundraising, the Company believes it will have sufficient funds to meet corporate expenses for the current year as well as funding the Corona payment.

Related-Party Transactions

Certain corporate entities that are related to the Company's officers and directors provided consulting services to Harte. These expenditures are summarized as follows:

For the three months ended February 28,	**2010**	2009
Management, consulting and legal fees	**$30,000**	$36,000
Consulting fees included in mineral properties	**15,000**	-
Amounts included in accounts payable owing to officers in the three months	**45,000**	-
Balance owing to officers at February 28,	**135,000**	-

These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Outstanding Share Data - as of April 28, 2010

Issued and outstanding common shares	73,055,125
Share purchase warrants	3,192,571
Options	4,450,000
Fully diluted shares	**80,708,696**

Contingencies

Further to the Meeting of Shareholders held January 30, 2009 pursuant to which the former Board of Directors was replaced and a new management team appointed, the Company initiated an internal audit to follow up on preliminary forensic audit work undertaken in 2008 in connection with historical cash disbursements and property acquisitions.

Subsequent to the Meeting, two former officers and directors of the Company filed claims against the Company in the aggregate amount of $610,000 relating to services allegedly provided but unpaid. Management is of the position that the claims are without merit and has advised the claimants accordingly. Management intends to defend its position vigorously should the need arise. No amounts have been accrued in these financial statements for these claims because settlement amounts if any, are not determinable.

In conjunction with the above and pursuant to an audit by the Canada Revenue Agency ("CRA") of 2003 exploration expenses, current Management also conducted a review of expenditures incurred and filings made in respect of flow-through share issuances during the period 2003 – 2008. This review uncovered issues related to the use of flow-through funds, timing of expenditures and other related compliance matters that will require the Company to file and/or re-file certain documents with CRA related to the issuance of flow-through common shares during the review period.

The Company estimates it may incur interest charges and penalties associated with the foregoing and may incur other costs. These financial statements contain a provision of $146,500 to reflect the interest charges and penalties that are likely under the Part XII.6 provisions in the Income Tax Act. In addition, the Company may be obligated to reimburse investors for an estimated amount of $283,300 in tax liabilities due to CRA re-assessments which re-assessments are a result of flow through funds not spent within prescribed time limits. The Company has approached CRA with a proposal to minimize payments associated with the above. The Company has recorded liabilities for the above amounts in its financial statements as of November 30, 2009, but the actual payments required may be higher or lower than this amount.

The Company has determined that it will file a claim in an amount equal to or greater than penalties, interest and any re-assessment amounts levied by CRA, against the directors and officers retained, employed or otherwise engaged by the Company during the relevant period.

Accounting Policies and Critical Accounting Estimates

The Company prepares its consolidated financial statements in conformity with generally accepted accounting principles in Canada. The preparation of the Company's consolidated financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. The Company lists its significant accounting policies in Note 2 of its audited financial statements for the year ended November 30, 2009.

New Accounting Policies

Credit Risk and the Fair Value of Financial Assets and Financial Liabilities
In January 2009, CICA issued EIC 173 "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities". This guidance clarified that an entity's own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities including derivative instruments. This guidance is applicable to fiscal periods ending on or after January 20, 2009. Application of EIC 173 had no impact on the Company's operating results or financial position.

Mining Exploration Costs
In March 2009, CICA issued EIC 174, "Mining Exploration Costs" which provides guidance on the accounting and impairment review of exploration costs. The Company immediately adopted the EIC with no impact on its operating results.

Section 3064 - Goodwill and intangible assets
Effective December 1, 2008, the Company adopted Section 3064 "Goodwill and Intangible Assets" which establishes revised standards for recognition, measurement, presentation and disclosure of goodwill and intangible assets. Adoption of this new policy had no impact on the Company's financial statements.

Section 3862 – Financial Instruments – Disclosures
In June 2009, Section 3862 was amended to require disclosures about the inputs to fair value measurements, including their classification within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly;
Level 3 – Inputs that are not based in observable market data.

The Company immediately adopted this amended standard. The only financial instrument on the balance sheet measured at fair value is cash which is measured at level 1 of the fair value hierarchy.

Future Accounting Policies

Section 1582 - Business Combinations
In October 2008, the CICA issued Handbook Section 1582, "Business Combinations", which establishes new standards for accounting for business combinations. This is effective for 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. Should the Company engage in a future business combination, it would consider early adoption to coincide with the adoption of IFRS.

Section 1602 - Non-Controlling Interests
Also in October 2008, the CICA issued Handbook Section 1602, "Non-controlling Interests", to provide guidance on accounting for non-controlling interests subsequent to a business combination. This is effective for fiscal years beginning on or after January 2011.

International Financial Reporting Standards

The CICA has announced that publicly accountable enterprises will be required to transition from Canadian generally accepted accounting principles ("Canadian GAAP") to International Financial Reporting Standards ("IFRS"). The changeover date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The Company's transition date of December 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the fiscal year commencing December 1, 2010.
The Company has commenced transition planning for the conversion from Canadian GAAP to IFRS. The conversion includes the following phases: (1) scoping and planning, (2) detailed assessment, (3) implementation and (4) review.

- Scoping and planning – The Company completed an initial assessment of those provisions of IFRS that could have an impact on its reporting and concluded that the following provisions were most likely to affect it: the choice of cost or revaluation model, fixed asset componentization and depreciation, asset retirement obligations, capitalization of exploration expenses, classifications of capitalized exploration expenses as tangible and intangible assets, impairment of assets, employee stock options, and initial adoption of IFRS under the provisions of IFRS 1.

- Detailed assessment – This phase will involve technical analysis that will result in understanding potential impacts, quantification of alternatives where there are accounting policy choices, detailed analysis and decisions taken regarding IFRS 1 exemptions and exceptions available to th Company and the drafting of accounting policies in accordance with IFRS. The Company anticipates that there will be changes in accounting policies and that these changes may materially impact the financial statements. The full impact on future financial reporting is not reasonably determinable or estimable at this time.

- Implementation – We will identify and carry out the implementation requirements to effect management's accounting choices, develop sample financial statements, implement business and internal control requirements, calculate the opening balance sheet at December 1, 2010 and other transitional reconciliations and disclosure requirements. This phase will include a review of these with our audit committee to obtain their approval of our IFRS financial statements.

- Review – We will put in place procedures to continuously monitor changes in IFRS post implementation and develop and maintain IFRS competencies in our Company by addressing requisite training requirements.

IFRS 1, "First Time Adoption of International Financial Reporting Standards", provides entities adopting IFRS for the first time with a number of optional exemptions and mandatory exceptions to the general requirement of a full retrospective application of IFRS. The exceptions prohibit/restrict retrospective application of some of the IFRS requirements with respect to the derecognition of financial assets and liabilities, hedge accounting and non-controlling interests, as well as an underlying requirement for consistency of estimates under GAAP and IFRS, as they relate to the same retrospective dates. Additionally, IFRS 1 provides for certain specific exceptions available at the discretion of the reporting entity for the opening financial position under IFRS. The various alternatives are being assessed and those determined to be most appropriate in our circumstances will be adopted.

The International Accounting Standards Board currently has projects underway that are expected to result in new pronouncements and as a result, IFRS as at the transitional date is expected to differ from its current form. The Company is aware that there are potential changes to joint venture accounting and guidance for the extractive industries. The final impact of IFRS on the financial statements will only be determined once all applicable standards at the conversion date are known.

Critical Accounting Estimates

The most critical accounting estimates upon which the Company's financial status depends are those requiring estimates of the recoverability of its capitalized exploration costs, impairment considerations related thereto and fair value estimates for stock options and warrants.

The Company considers exploration costs to have the characteristics of property, plant and equipment. As such, the Company defers all exploration costs including acquisition costs, field exploration and field supervisory costs relating to specific properties and any recoveries until those properties are brought into production. At that time, net property costs will be amortized on a unit-of-production basis based on proven and probable reserves or until the properties are abandoned, sold or considered to be impaired in value at which time an appropriate charge will be made.

The amounts shown for mineral properties do not necessarily represent present or future values. The recovery of mining interest costs is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete exploration and the development, future profitable production or the receipt of proceeds from the disposition of such properties.

Whenever events or changes in circumstances indicate that the carrying value of a mineral property may not be recoverable, management reviews the carrying values to assess whether there has been any impairment in value. In the event that management determines the carrying value of any mineral property is not recoverable and exceeds its fair value, the carrying value of the mineral property is reduced to its estimated fair value.

In view of the difficulties in raising equity for exploration projects, the Company has concluded that it should prioritize the Sugar Zone Property and will not be funding exploration on the Stoughton-Abitibi Property in the foreseeable future. Although the Company continues to evaluate alternative strategies for the Stoughton-Abitibi Property, there is no longer sufficient certainty that capitalized exploration costs can be recovered and the Company recorded an impairment provision for the full amount of this property at November 30, 2009.

The fair value of stock options and warrants is calculated using an option pricing model that takes into account the exercise price, the expected life of the option/warrant, expected volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option/warrant.

Capital Disclosures

The Company's objective when managing capital is to obtain adequate levels of funding to support its exploration activities, to obtain corporate and administrative functions necessary to support organizational functioning and obtain sufficient funding to further the identification and development of precious metals deposits within Canada.

The Company manages its capital structure in a manner that provides sufficient funding for operational activities. Funds are primarily secured through equity capital raised by way of private placements. There can be no assurance that the Company will be able to continue raising equity capital in this manner.

The Company manages its capital to ensure that it will be able to continue as a going concern while attempting to maximize the return to shareholders through the optimization of a reasonable debt and equity balance commensurate with current operating requirements. The current capital structure consists of cash and shareholders' equity excluding accumulated other comprehensive income (loss). The Company raises capital, as necessary, to meet its needs and take advantage of perceived opportunities and, therefore, does not have a numeric target for its capital structure. The Company invests all capital that is surplus to its immediate operational needs in short term, liquid and highly rated financial instruments, such as cash, and short term guaranteed deposits, all held with major Canadian financial institutions.

Risks and Uncertainties

Risks inherent in the nature of mineral exploration and development:
Mineral exploration and development involves several risks which experience, knowledge and careful evaluation may not be sufficient to overcome. Large capital expenditures are required in advance of anticipated revenues from operations. Many exploration programs do not result in the discovery of mineralization; moreover, mineralization discovered may not be of sufficient quantity or quality to be profitably mined. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, tailings impoundment failures, cave-ins, landslides and the inability to obtain adequate machinery, equipment or labour are some of the risks involved in the conduct of exploration programs and the operation of mines. The commercial viability of exploiting any precious metal deposit is dependent on a number of factors including infrastructure and governmental regulations, in particular those respecting the environment, price, taxes, and royalties. No assurance can be given that minerals of sufficient quantity, quality, size and grade will be discovered on any of the Company's properties to justify commercial operation.

Uncertainty of reserve and resource estimates:
The mining and exploration business relies upon the accuracy of determinations as to whether a given deposit has significant mineral reserves and resources. This reliance is important in that reported mineral reserves and resources are only estimates and do not represent with certainty that estimated mineral reserves and resources will be recovered or that they will be recovered at the rates estimated. Mineral reserve and resource estimates are based on limited sampling, and inherently carry the uncertainty that samples may not be representative of actual results.

Political Risk
The properties are located in Canada. Accordingly, the Company is subject to risks normally associated with exploration for and development of mineral properties in this country. The Company's ability to conduct future exploration and development activities is subject to changes in government regulations and shifts in political attitudes over which Harte has no control.

Business Risk
The success of the operations and activities is dependent to a significant extent on the efforts and abilities of its management, outside contractors, experts and other advisors. Investors must be willing to rely to a significant degree on management's discretion and judgment, as well as the expertise and competence of the outside contractors, experts and other advisors. The company does not have a formal program in place for succession of management and training of management. The loss of one or more of the key employees or contractors, if not replaced on a timely basis, could adversely affect Harte's operations and financial performance.

Commodity Price Risk
The price of the common shares in the capital the Company, its financial results, exploration and development activities have been, or may in the future be, adversely affected by declines in the price of gold. Gold prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the sale or purchase of commodities by various central banks, financial institutions, expectations of inflation or deflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, international supply and demand, speculative activities and increased production due to new mine developments, improved mining and production methods and international economic and political trends. The Company's revenues, if any, are expected to be in large part derived from mining and sale of precious metals or interests related thereto. The effect of these factors on the price of precious metals, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted.

Funding Risk
There can be no assurance that any funding required by the Company will become available, and if so, that it will be offered on reasonable terms, or that the Company will be able to secure such funding through third party financing or cost sharing arrangements. Furthermore, there is no assurance that the Company will be able to secure new mineral properties or projects, or that they can be secured on competitive terms.

Additional Capital
The exploration activities of the Company may require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration and development of any of the Company's properties. 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 financings will be favorable to the Company. In addition, low commodity prices may affect the Company's ability to obtain financing.

Environmental and Permitting
All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations, among other things, mandate the maintenance of air and water quality standards, land reclamation, transportation, storage and disposal of 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 the Company's operations.

Acquisition
The Company uses its best judgment to acquire mining properties for exploration and development in pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions and development, or integrate such opportunity and their personnel with the Company. The Company cannot assure that it can complete any acquisition that it pursues or is currently pursuing, on favorable terms, or that any acquisition completed will ultimately benefit the Company.

Competition
The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospectus for mineral exploration in the future.

Management's Responsibility for Financial Information

Management is responsible for all information contained in this report. The audited consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include amounts based on management's informed judgments and estimates. The financial and operating information included in this report is consistent with that contained in the audited financial statements in all material aspects.

Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate and assets are safeguarded.

The Audit Committee has reviewed the audited financial statements with management. The Board of Directors has approved the audited consolidated financial statements on the recommendation of the Audit Committee.

April 28, 2010
`

"Rein A. Lehari"	*"Stephen G. Roman"*
Rein A. Lehari, CA Chief Financial Officer	Stephen G. Roman President and CEO