SPUR VENTURES INC.
MANAGEMENT DISCUSSION & ANALYSIS
FOR THE QUARTER ENDED MARCH 31, 2013

Dated: May 22, 2013

T A B L E   of   C O N T E N T S

This Management Discussion & Analysis (“MD&A”) is comprised of the following sections:

INTRODUCTION

This MD&A has been prepared as of May 22, 2013, and should be read in conjunction with the Company's unaudited condensed interim financial statements with accompanying notes for the quarter ended March 31, 2013, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The objective of this MD&A is to help the reader understand the factors affecting the Company's past and future financial performance. All amounts are reported in U.S. dollars and rounded to the nearest thousand where appropriate, unless otherwise stated. Additional information on the Company can be found in the filings with Canadian security commissions on SEDAR at www.sedar.com.

Cautionary Statement Regarding Forward-Looking Statements

This MD&A contains "forward-looking statements". Forward-looking statements include, but are not limited to, statements with respect to the estimation of mineral resources, the timing and content of upcoming programs, the realization of mineral resource estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to international operations; actual results of planned expansion activities; changes in project parameters as plans continue to be refined; future prices of resources; exchange rates for Canadian and U.S. currencies; possible variations in grade or recovery rates, accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. In making the forward-looking statements in this MD&A, the Company has made certain key assumptions, including, but not limited to, the assumptions that merited mineral assets or projects can be acquired and financings are available. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update or revise any forward-looking statements or information made in this MD&A, except as required under applicable securities legislation.

C O M P A N Y   P R O F I L E

Spur Ventures Inc. ("Spur" or the "Company") is a company listed on the TSX Venture Exchange ("TSX-V") with a registered office at Suite 3083, Three Bentall Centre, 595 Burrard Street, Vancouver, B.C. Canada.

On February 13, 2012, the Company completed the sale of its 100% owned subsidiary, Spur Chemicals (BVI) Inc. ("Spur BVI"). Spur BVI held its fertilizer interests through two sino-foreign joint ventures ("JV") in China, Yichang Maple Leaf Chemicals Ltd. ("YMC") and Yichang Spur Chemicals Ltd. ("YSC"). Spur's Chinese partner in both JVs was Hubei Yichang Phosphorus Chemical Co. Ltd ("YPCC"), a state owned enterprise of Yichang City, Hubei Province, China.

The Company now operates entirely in Canada. Previously it operated in one operating segment, the fertilizer industry, and had two geographic locations, China and Canada. The discontinued operations reflect the Chinese operations and the continuing operations reflect the Canadian operations. Subsequent to the sale of the Chinese operations, the Company is no longer in the Chinese fertilizer industry, and is now focused on potential acquisitions or other corporate transactions in gold, base metals or other mineral-related assets or businesses.

C O M P A N Y   U P D A T E

With the completion of the sale of Spur BVI on February 13, 2012, the Company has approximately CDN $29.5 million (approximately CDN $0.49 cash per share) to pursue its previously announced strategy to focus on the acquisition of mineral assets in lower risk jurisdictions. The Company believes that the current volatile capital markets combined with the strong underlying fundamentals of certain mineral commodities will provide the Company with the capacity to generate positive returns to its shareholders.

The Company has reviewed opportunities in gold and base metal projects in North American and Latin American countries where the focus has been on the acquisition of privately held projects, and public companies where the Company could add value through financing and management support, as well as the acquisition of or participation in existing and new royalty opportunities. The Company has also been using its extensive contact base in the resource community to identify non-core gold, base metal and silver projects of mid and large sized listed mining companies which could be targets for acquisition.

At the Annual General Meeting on June 21, 2012, the Company received shareholder approval allowing the Company to purchase securities of other reporting issuers for cash either in the secondary market or as a private placement from treasury. This will provide additional flexibility for the Company to meet its business objectives.

The Company continues to examine potential opportunities and the Company has undertaken detailed due diligence reviews (under signed confidentiality agreement) of a number of opportunities, primarily in the precious metal sector, which have included extensive site visits, technical reviews, economic analysis, structuring and meetings with management. The Company incurred approximately $205,000 in Q1 2013 (Q1 2012: $36,000) in consulting fees, legal fees, and travel expenses related to this strategic initiative, in addition to a considerable amount of management time and Company resources. Discussions on certain opportunities are ongoing. Each potential opportunity is being assessed on its technical merits and its potential to deliver value to shareholders.

F I N A N C I A L   R E S U L T S

Q1 2013 net loss from continuing operations was $394,000 (Q1 2012 loss from continuing operations: $424,000). In Q1 2012 there was a non-recurring net income of $3,739,000 from discontinued operations as a result of the disposal of Spur BVI in February 2012. Q1 2013 loss per share was $0.01 compared to an earnings per share of $0.05 in Q1 2012.

Further details in regards to Q1 2013 results are set out below.

Continuing Operations

Q1 2013 loss from continuing operations decreased $30,000 from $424,000 in Q1 2012 to $394,000, and loss per share was $0.01 (Q1 2012 loss per share: $0.01). The decrease was primarily attributable to a $14,000 decrease in operating expenses and a $15,000 increase in interest income.

Total operating expenses in Q1 2013 were $499,000 (Q1 2012: $513,000). The reduction in operating expenses were a function of lower head office related expenses in the quarter including professional fees ($38,000), non-recurring listing fees ($60,000), office expenses ($8,000) and stock-based compensation ($112,000), offset by an increase in corporate development and travel expenditures ($169,000) incurred in respect of the execution of the Company's corporate strategy outlined above.

Interest income increased $15,000 from $91,000 to $106,000 in the current year mainly due to an increase in general interest rate levels and due to interest earned on the CDN $9.25 million cash disposal proceeds from the sale of Spur BVI.

Discontinued operations in China

The Q1 2012 earnings from discontinued operations was primarily attributable to a $3,873,000 gain from the sale of Spur BVI, a company holding the interests of the discontinued China operation. The gain was partially offset by $134,000 loss from the discontinued operations in Q1 2012 mainly due to payment of severance to former staff in China.

Balance sheet

The Company continues to maintain a solid cash position with cash and short-term investments in GICs at the end of March 2013 amounting to $29.3 million compared to $30.3 million at the end of 2012, with approximately $407,000 cash used in continuing operations in Q1 2013 and the balance of the reduction relating to the translation of balance sheet from the functional currency (Canadian dollar) into the presentation currency (U.S. dollar) which strengthened at March 31, 2013 compared to December 31, 2012 .

Capital Management

Capital includes all components of shareholders' equity. The Company's objective in managing capital is to safeguard the Company's ability to continue as a going concern, to maintain a flexible capital structure which optimizes cost of capital at acceptable risk, and to provide reasonable returns to shareholders. The Company invests its funds in deposits and GICs with major financial institutions and monitors capital by gauging cash and short-term investments available for use. The Company manages the capital structure and makes adjustments in light of changes in economic conditions, foreign exchange rates and the risk characteristics of the Company's assets. In order to maintain or adjust the capital structure, the Company may issue new shares, or sell assets to improve working capital. The Company has no asset backed commercial paper exposure.

<u>Foreign Exchange Gain or Loss</u>

There was no material realized foreign exchange gain or loss in Q1 2013 and Q1 2012 because there were no significant transactions denominated in currencies other than the functional currencies. All unrealized foreign exchange gains or losses from translation of functional currencies to U.S. dollar presentational currency are recorded as accumulated other comprehensive income ("AOCI") in the equity section of the balance sheet. As the U.S. dollar strengthened against the Canadian dollar, the AOCI at December 31, 2012 decreased from $1.38 million to $0.76 million at March 31, 2013.

The Company does not use derivatives to hedge against exposures to foreign currency arising from the Company's balance sheet liabilities; therefore the AOCI is expected to increase or decrease against decrease or increase in the strength of U.S. currency.

Summary of Quarterly Results

	Qtr ended Mar. 31, 2013	Qtr ended Dec. 31, 2012	Qtr ended Sep. 30, 2012	Qtr ended Jun. 30, 2012	Qtr ended Mar. 31, 2012	Qtr ended Dec. 31, 2011	Qtr ended Sep. 30, 2011	Qtr ended Jun. 30, 2011
Earnings (Loss) ($)	(393,676)	(314,607)	(267,862)	(376,080)	3,315,077	(490,523)	(476,495)	(499,905)
-from continuing operations ($)	(393,676)	(314,607)	(267,862)	(370,586)	(423,819)	(177,069)	(241,199)	(247,647)
-from discontinued operations ($)	-	-	-	(5,494)	3,738,896	(313,454)	(235,296)	(252,258)
Earnings (Loss) per share ($) *	(0.01)	(0.00)	(0.00)	(0.01)	0.05	(0.01)	(0.01)	(0.01)
-from continuing operations ($)	(0.01)	(0.00)	(0.00)	(0.01)	(0.01)	(0.00)	(0.00)	(0.01)
-from discontinued operations ($)	0.00	0.00	0.00	(0.00)	0.06	(0.01)	(0.00)	(0.01)
Dividends per share ($)	-	-	-	-	-	-	-	-
Weighted average number of shares outstanding *	60,407,187	60,707,187	60,707,187	60,607,187	61,263,437	60,407,187	60,407,187	60,407,187

* on a fully diluted basis where applicable

Results from continuing operations have remained relatively stable on a quarter by quarter basis, especially in respect of the quarters ended June 30, 2012 to March 31, 2013, post the sale of the Company's operations in China. For continuing operations, the loss in Q1 and Q2 2012 was higher than prior periods primarily due to non-cash stock-based compensation charges ($170,000 and $85,000 respectively), and professional fees related to the sale of Spur BVI and the Company's listing on the TSX-V.

For discontinued operations, the loss after Q1 2012 was close to $nil following the sale of the Company's Chinese operations in Q1 2012 when a $3.87 million gain was recognized on the sale.

L I Q U I D I T Y and C A P I T A L R E S O U R C E S

At March 31, 2013, the Company maintained a balance of $29.3 million in cash deposits and short-term GICs with major Canadian financial institutions.

The Company had a five-year office lease agreement commencing October 1, 2010 and shares office space and related costs with three related companies. A summary of the Company's commitments is set out below:

	Office lease
2013	$ 66,395
2014	$ 88,527
2015	$ 66,395

The Company does not have any off-balance sheet arrangements.

The Company believes that it has sufficient funding to meet its obligations and to maintain administrative and operational expenditures for the next 12 months.

O U T L O O K

With the completion of the sale of Spur BVI on February 13. 2012, the Company has approximately CDN$29.5 million with which to pursue its previously announced strategy to acquire advanced development or operating mineral assets in lower risk jurisdictions.

The Company is focused on potential acquisitions in gold, base metals or other mineral-related assets or businesses that are in more advanced stages of development where the balance of technical and geopolitical risk will result in increased value to shareholders within a short time frame.

O T H E R M D & A R E Q U I R E M E N T S

Related party transactions and key management compensation

The Company shares office lease and administrative expenditures with three related companies with directors and officers in common. During the three months ended March 31, 2013, office lease and administrative expenditures billed to related parties amounted to $52,790 (2012: $56,935).

Amounts due from related parties at March 31, 2013 were $67,077 (2012: $63,800). Amounts due from related parties are unsecured, non-interest bearing and due on demand. Amounts payable to related parties at March 31, 2013 were $3,478 (2012: $nil).

Key management includes the Directors, Chief Executive Officer and Chief Financial Officer of the Company, and compensation for key management is as follows:

	3 months ended March 31, 2013 $	3 months ended March 31, 2012 $
Salaries and benefits	**89,916**	65,774
Management fees	**36,418**	34,234
	126,334	100,008
Stock-based compensation	**52,767**	154,989
Total	**179,101**	254,997

Critical Accounting Estimates and Significant Accounting Policies

The preparation of financial statements in conformity with IFRS requires management to establish accounting policies and to make estimates that affect both the amount and timing of the recording of assets, liabilities, revenues and expenses. Some of these estimates require judgments about matters that are inherently uncertain. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities include: no gain is recorded for the CDN $4.75 million Canadian dollars contingent payment from the sale of Spur BVI as there is a significant amount of uncertainty that the conditions required to receive the contingent payment will be met.

Please refer to Note 2 of the condensed interim financial statements for the quarter ended March 31, 2013 for a summary of the Company's significant accounting policies including new accounting standards and critical accounting estimates and judgements.

Outstanding Share Data

As of the date of this report, the Company had the following shares and options outstanding:

Outstanding	Number	Exercise Price CAD	Expiry Date
Shares	60,407,187	N/A	N/A
Stock options	830,000	0.90	June 26, 2013
Stock options	300,000	0.28	July 28, 2014
Stock options	1,750,000	0.37	August 12, 2016
Stock options	1,000,000	0.40	April 10, 2017
Stock options	100,000	0.37	May 10, 2017
Stock options	1,250,000	0.40	November 1, 2017
Total	65,637,187		

The weighted average exercise price at March 31, 2013 was CDN$0.46 (2012 – CDN$0.50). The weighted average grant date fair value per option for options granted during the three months ended March 31, 2013 and 2012 was nil as no options were granted during the three months ended March 31, 2013 and 2012.

Options granted prior to 2011 vest over a three-year period, with one-third of the options vesting one year after the date of grant, one-third two years after the date of grant, and the remaining one-third three years after the date of grant. The vesting period for options granted after 2011 is 12.5% immediately with 12.5% each quarter over the next two years.

During the three months ended March 31, 2013, stock-based compensation expense of $58,130 was recognized (2012: $169,998).

The fair value of each option granted is estimated on the date of grant using the Black-Scholes option pricing model with assumptions for the most recent grants as follows:

Risk free interest rate	**1.33% - 1.45%**
Expected life of options in years	**5 years**
Expected volatility	**32% - 48%**
Dividend per share	**$0.00**

Financial instruments and risks

The Company classifies its financial instruments in the following categories: at fair value through profit and loss, loans and receivables, available-for-sale and other financial liabilities. The classification depends on the purpose for which the financial assets or liabilities were acquired. Management determines the classification of financial assets and liabilities at initial recognition. Where the Company expects to realize the asset or discharge the liability within twelve months, it is recorded as a current asset or liability; otherwise, it is recorded as a long-term asset or liability.

Financial assets and liabilities at fair value through profit and loss are considered to be held for trading. A financial asset or liability is classified in this category is acquired principally for the purpose of selling or redeeming in the short-term. Derivatives are included in this category unless they are designated as hedges.

Financial assets and liabilities carried at fair value through profit and loss are initially recognized at fair value and are subsequently re-measured to their fair value at each statement of financial position date. Realized and unrealized gains and losses arising from changes in the fair value of these financial assets or liabilities are included in the statement of income in the period in which they arise.

Available-for-sale financial assets are non-derivatives that are either designated as available for sale or not classified in any of the other categories. Available-for-sale assets are initially recorded at fair value plus transaction costs and are subsequently carried at fair value. Unrealized gains and losses arising from changes in the fair value of non-monetary assets classified as available-for-sale are recognized in other comprehensive income.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets or non-current assets based on their maturity date. The Company classifies its other receivables and cash and cash equivalents in the consolidated balance sheets, as loans and receivables. Loans and receivables are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Other financial liabilities are recognized initially at fair value, net of transaction costs incurred, and are subsequently stated at amortized cost. Any difference between the amounts originally received (net of transaction costs) and the redemption value is recognized in the statement of income over the period to maturity using the effective interest method.

Financial instruments of the Company are summarized as follows:

March 31, 2013	Loans and Receivables $	Other financial liabilities $	Total Carrying Amount $	Total Fair Value $
Financial Assets				
Cash and deposits	10,192,212	-	10,192,212	10,192,212
Guaranteed investment certificates (GICs)	19,134,680	-	19,134,680	19,134,680
Receivables	95,946	-	95,946	95,946
Financial Liabilities				
Accounts payable and accrued liabilities	-	139,005	139,005	139,005

December 31, 2012	Loans and Receivables $	Other financial liabilities $	Total Carrying Amount $	Total Fair Value $
Financial Assets				
Cash and deposits	10,924,296	-	10,924,296	10,924,296
Guaranteed investment certificates (GICs)	19,324,740	-	19,324,740	19,324,740
Receivables	72,353	-	72,353	72,353
Financial Liabilities				
Accounts payable and accrued liabilities	-	91,784	91,784	91,784

The carrying amount of accounts receivable, accounts payable and accrued liabilities approximates fair value due to their short term nature.

Management has determined that there are no embedded derivatives.

Credit risk

The Company maintains a substantial portion of its cash and cash equivalents and short term fixed interest investments with major financial institutions in Canada.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Company's maximum exposure to credit risk.

Foreign currency risk

The Company does not anticipate significant impact of foreign currency translation on earnings unless significant transactions denominated in currencies other than functional currencies take place.

Interest rate risk

The Company's interest rate risk mainly arises from the interest rate impact on its interest income derived from Canadian Dollar cash and deposits. The Company's policy is to receive interest based on market rates, and, where necessary, to borrow at fixed rates although as at March 31, 2013, the Company had no outstanding debt. Based on the balances of cash and cash equivalent and short-term investments as at March 31, 2013, other things being equal, a 1% increase (decrease) in the interest rate on that day would have resulted in an increase (decrease) of approximately $293,000 in earnings before income taxes.

Liquidity Risk

Liquidity risk is the risk that the Company cannot meet its obligations as they fall due. The Company maintains sufficient cash and short term investments to covers its obligations. The Company has been keeping its cash resources in highly liquid short term investment such as guarantee investment certificates offered by major Canadian financial institutions and monitors its cash spending not to exceed available cash resources.

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