

**VR RESOURCES LTD.**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

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**REPORT DATE:**  
**November 16, 2017**

This Management Discussion and Analysis (the “MDA”) provides relevant information on the operations and financial condition of VR Resources Ltd. (the “Company”) for the period ended September 30, 2017.

The Company is in the business of mineral exploration. Activities include the evaluation, acquisition and exploration of mineral exploration properties in search of economic mineral deposits. Properties with copper and gold potential in the western United States are the current focus of the Company, specifically in Nevada. The realization of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves and future profitable production, or proceeds from the disposition of these assets. The carrying values of exploration and evaluation assets do not necessarily reflect their present or future values.

All monetary amounts in this MDA and in the interim consolidated financial statements are expressed in Canadian dollars, unless otherwise stated. Financial results are being reported in accordance with International Financial Reporting Standards (“IFRS”).

The Company’s certifying officers, based on their knowledge, having exercised reasonable diligence, are also responsible to ensure that these filings do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by these filings, and these consolidated financial statements together with other financial information included in these filings. The Board of Directors’ approves the consolidated financial statements and MDA and ensures that management has discharged its financial responsibilities.

This MDA is the second full reporting quarter for the Company following the acquisition of, and business combination with, Renntiger Resources Ltd., a transaction which closed on March 21, 2017. This MDA should be read in conjunction with the Company’s previous MDA and consolidated financial statements and notes thereto for the year ended March 31, 2017, and dated May 30, 2017, and for Q1 Fiscal 2018, for the quarter ending June 30, 2017, with a report date of July 26, 2017.

The Company is registered in the province of British Columbia. Its principal office is located at Suite 1750 – 700 West Pender Street Vancouver, BC, V6C 1G8. It’s registered, and records office is located at Suite 2300 – 550 Burrard Street, Vancouver, BC, V6C 2B5.

**OVERALL PERFORMANCE**

The Company continued its normal course of mineral exploration business in Q2 Fiscal 2018 (July – Sept. 2017).

The Company is well financed to carry out both its mineral exploration strategy and its corporate business (general and administrative costs; G&A), based on the previously reported financing completed in February 2017, in concert with the Company’s listing transaction.

The basic functioning of the Company’s legal, audit and corporate compliance work is unchanged from the previous reporting period. The Company maintains its day-to-day work out of the exploration office established in Vancouver, British Columbia, by the predecessor private mineral exploration Company, Renntiger Resources Ltd. The Company employs a tight administrative cost structure, with a focus on relating material expenditures to mineral exploration work. Mineral properties are held in the Company’s wholly owned and US-based (Nevada registry) subsidiary, Renntiger Resources USA Inc., but the Company does not operate a US-based mineral exploration office. Mineral exploration in the United States is overseen by the Company’s Principal Geologist, with local mineral exploration service companies and consultants used to complete various exploration surveys.

There was active exploration in Q2 Fiscal 2018. A first-pass diamond drill program commenced in late August on the Company’s core asset, the Bonita property in northwestern Nevada, USA. The program is ongoing at the time of

writing of this report, but near completion. Two geophysical surveys were completed at Bonita during the lead-up to the program, to help refine and prioritize drill targets. An airborne Hyperspectral geophysical survey was completed over the Company's Danbo gold property in west-central Nevada, to delineate and prioritize prospective alteration zones for further surface exploration. An airborne Hyperspectral geophysical survey was also completed over the Company's recently staked Big Creek property located some 75 kilometres north of its Bonita property.

The Company evaluates new mineral opportunities on an ongoing basis, whether by generative work and staking, joint venture, property acquisition or by a corporate transaction (e.g. merger). Two new properties were acquired in Q2 Fiscal 2018: 1. New Boston porphyry copper property located in Mineral County in central Nevada, and; 2. Junction copper-gold property located in Humboldt County in northwestern Nevada. The New Boston property is 100 kilometers to the southeast of the Yerington copper mine, and is nearby the Company's Yellow Peak porphyry copper property explored between 2012 and 2014. The Junction property is located some 50 kilometers to the north of the Company's Bonita property, and will benefit both from excellent nearby infrastructure and technical expertise and experience gained by the Company at Bonita during the past three years of exploration.

The Company strengthened its technical team with the addition of a full-time geologist for Project Development. The position will focus on developing and executing exploration programs for the Company's growing portfolio of copper-gold projects in Nevada. The Company's Principal Geologist will continue to focus on the Company's core asset and key exploration program, namely the first pass drill testing of the Bonita property.

Development of the Company's capital markets program is ongoing. The Chief Executive Officer completed a marketing trip to Toronto in July to present current exploration results and strategies to both retail and institutional investors, and presented at the Metals Investor Forum in Vancouver in August 2017. Renmark Financial Communications Inc. based in Toronto, ON, is engaged for Investor Relations, and their work is ongoing.

## **EXPLORATION PROJECTS**

### Summary

The Company owns six mineral properties in Nevada, USA (see Figure 1). Five of the properties were active in Q2 Fiscal 2018.

The core asset is the Bonita Property, located in Humboldt County, where a first-pass diamond drill program is ongoing at the date of this report.

Targeted exploration continued at the Danbo gold property located in Nye County. The goal is to evaluate and prioritize targets for consideration for first pass drill testing in 2018. The company is not aware of any previous diamond drilling on the gold-bearing Tertiary epithermal gold veins on the property. Geochemical work is ongoing at the time of writing of this report, to compliment a geophysical survey completed in August.

Reconnaissance surface exploration began at the recently staked Big Creek property located in Humboldt County, some 50 kilometers north of the Bonita property. Reconnaissance-level prospecting, mapping and soil sampling has begun, concurrent with ongoing compilation of historic exploration data and regional geoscience data.

Two new properties were acquired, the Junction copper-gold property in north-central Nevada and the New Boston porphyry copper property in west-central Nevada. The Junction property will benefit from synergies with the Company's work at Bonita, and New Boston will benefit from the Company's experience at its nearby Yellow Peak property. Compilation work was done on both properties during Q2 Fiscal 2018, and reconnaissance surface exploration has been initiated on both properties as of the writing of this report, prior to onset of the winter season.

The Company holds the Yellow Peak property in good standing, but there are no immediate plans for exploration on the property. Reclamation related to the 2014 drill program is complete and approved, and the property has been written down as previously reported.

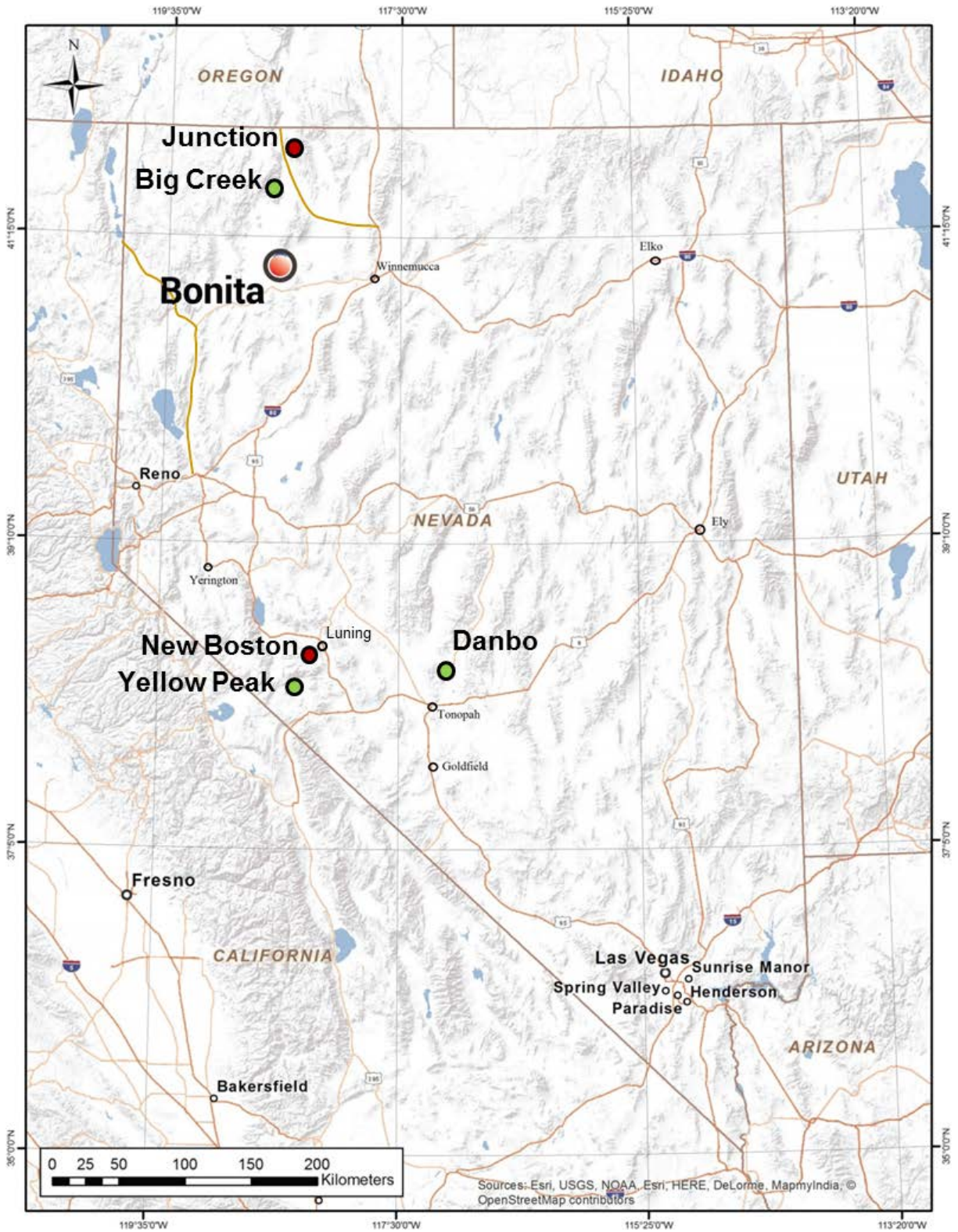


Figure 1. Location of mineral properties owned by VR Resources Ltd. in Nevada, USA.

## Bonita Property, Nevada, USA

There was active exploration at the Bonita Property in Q2 Fiscal 2018.

The Bonita property is in Humboldt County in northwestern Nevada, approximately 75 km northwest of Winnemucca. It is on the southwestern flanks of the Jackson Range, and immediately east of the Black Rock desert. It is accessible from the town of Winnemucca by paved and gravel county roads. Cost-effective and nearly year-round exploration is easily facilitated from the town of Winnemucca located some 75 kilometres to the southeast.

The property consists of 429 claims covering 3,586 hectares, an area of approximately 5 x 6 kilometres. It is on land administered by the federal Bureau of Land Management (BLM); there is no private land which impedes access, nor is the property within the BLM's broadly defined area of sage grouse protection. The property is owned 100%, registered to the Company's wholly-owned, Nevada-registered US subsidiary Renntiger Resources USA Ltd. It was staked directly by the Company; there are no associated joint venture or carried interests, and there are no royalties.

The Company completed an updated independent Technical Report in February 2017 ([www.sedar.com](http://www.sedar.com)). The report includes ALL exploration data collected by the Company from 2014 through 2016. The current drill program is based on the recommendation for a 3,000 metre first-pass diamond drill program on the property.

Exploration has been ongoing at the Bonita property from the outset of the spring field season in April, 2017, starting with the completion of a ground-based induced polarization (IP) geophysical survey which was started in December, 2016. The Company's Principal Geologist completed detailed geological mapping across the property, and select infill soil sampling in May and June, 2017.

An airborne ZTEM electromagnetic survey was completed over the core area of the Bonita Property in July, 2017, by Geotech Ltd. It provided detailed information to evaluate and refine drill targets based on resistivity, which is a proven and important target attribute in alkaline porphyry copper deposits. The helicopter-borne survey consisted of 36 lines spaced 200 m apart covering a total area of approximately 6 by 10 kilometres. Preliminary map products were received by the Company in August, and all final data and reports, including 3-D inversion models were received in September.

The existing gravity survey at Bonita was extended in August 2017, by MaGee Geophysical Services LLC, using the same parameters and equipment as the original 2016 survey. Sixty new stations were measured. The gravity grid now comprises 984 stations on an even 200 x 200 metre grid covering an area of approximately 6 x 7 kilometres. The grid covers all the major porphyry copper targets on the property.

The Company received final approvals from the federal Bureau of Land Management for its drill permit at Bonita in May, the Board of Directors approved a 3,000 m first pass diamond drill program at Bonita, and the Company executed a drill services agreement with Boart Longyear Company in July 2017 for up to 3,000-meters of diamond drilling, truck mounted.

Four drill targets are shown on the "IP target map" in Figure 2:

- The red circles on the individual IP lines delineate chargeability anomalies associated with integrated magnetic low and gravity low anomalies; and
- The yellow circles on the individual IP lines delineate chargeability anomalies associated with high magnitude gravity high anomalies.

The objective of the 2017 drill program is to intersect copper-gold mineralization, and confirm the presence of a fertile porphyry copper hydrothermal system at Bonita, with the potential to host one or more individual copper deposits, as occurs in the age-equivalent Yerington porphyry copper camp located some 150 kilometers to the south in west-central Nevada.

Drilling at Bonita is near completion as of the report date herein, and the Company will report results in full when all geochemical assays have been received, which is expected to be some time in December.

Bonita continues to be the focus of the Company's exploration efforts going forward. The property is large, encompassing a district of historic copper, gold and iron workings (see "satellite image" at [www.vrr.ca](http://www.vrr.ca)). The showings are unified by a single, district-scale hydrothermal system with a large alteration footprint within which copper sulfide and gold mineralization has been sampled by VR over an area of about 4 x 5 kilometres (see "copper

grab samples” at [www.vrr.ca](http://www.vrr.ca)). The large alteration footprint is delineated by geological mapping, airborne magnetic and hyperspectral surveys, and alteration mapping on the ground. There are numerous specific, large exploration targets for porphyry copper-gold mineralization at Bonita, based on the integration of geological mapping, mineral alteration vectors, rock and soil geochemical anomalies, and gravity and magnetic geophysical anomalies (see “Exploration Targets Map” at [www.vrr.ca](http://www.vrr.ca)). Integrated exploration targets represent the potential to discover not just one, but a cluster of buried, porphyry copper stocks which give rise to the various historic workings of copper-gold veins, and copper-gold bearing iron oxide hydrothermal breccias (IOCG).

#### Big Creek Property, Nevada, USA

Reconnaissance-scale exploration commenced at the Big Creek Property in Q2 Fiscal 2018.

The Big Creek property adds to the Company’s copper portfolio and strategy in Nevada (see Figure 1). It is located on the eastern flank of the Pine Forest Range, due north across the Black Rock desert from the Company’s Bonita property (see “Big Creek property” map at [www.vrr.ca](http://www.vrr.ca)). There is easy and direct road access to the property along Highway 140, heading north from Winnemucca.

It was staked directly by VR in June, 2017 (see News Release dated June 27, 2017). It consists of 30 claims in one contiguous block covering 620 acres (250 hectares). It is owned 100%, registered to VR’s wholly-owned and Nevada-registered US subsidiary Renntiger Resources USA Ltd. There are no associated royalties, or joint venture interests. It occurs on land administered by the federal Bureau of Land Management (BLM).

The staking of the Big Creek property is the result of the Company’s evolving understanding of the geology and exploration potential of northwestern Nevada based on its three years of exploration at the Bonita Property. Upon acquisition and evaluation of satellite-based ASTER mineral reflectance data, the Company correlated a mineral alteration anomaly to a hydrothermally altered, veined and brecciated granite stock and staked the Big Creek property.

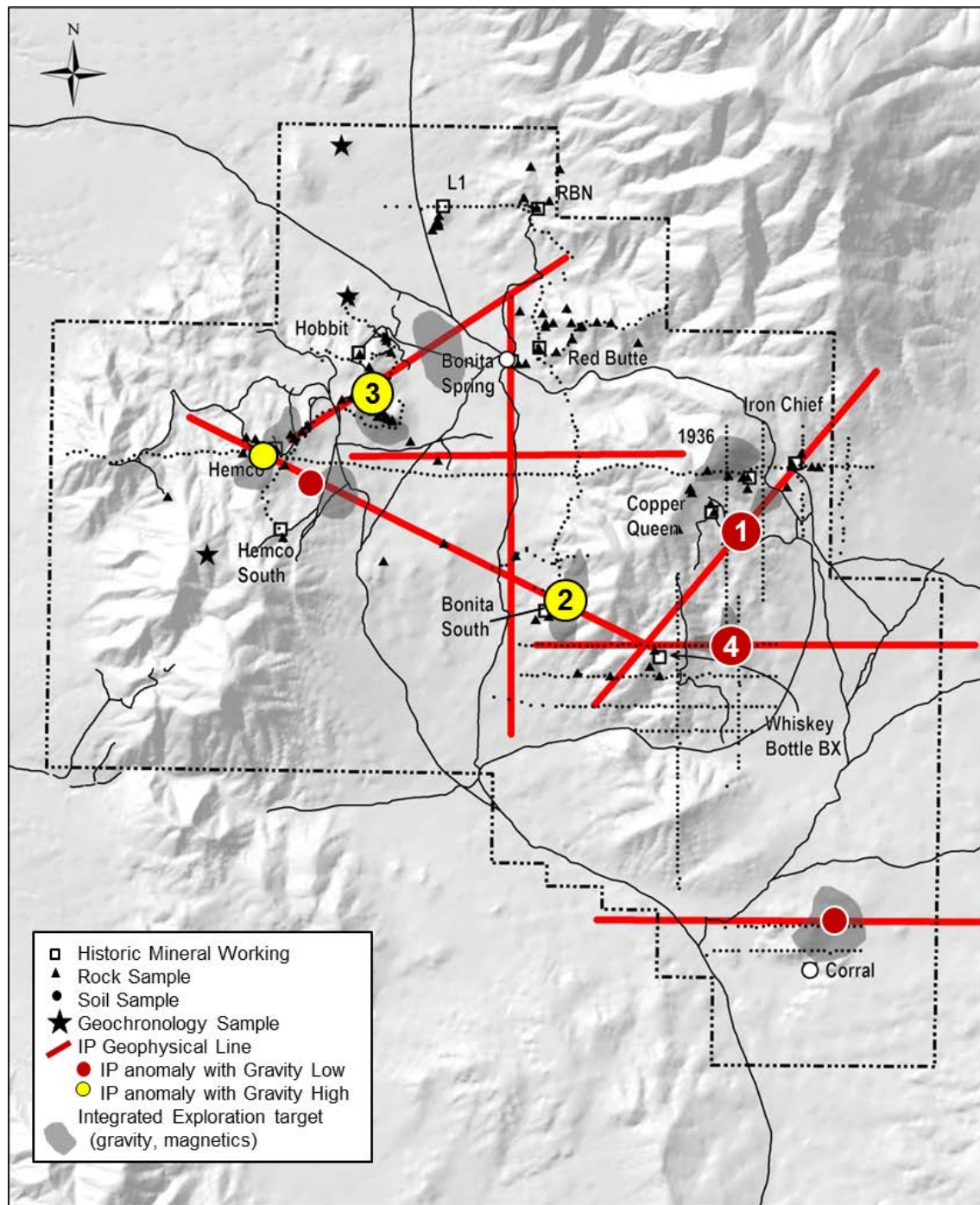
Reconnaissance work completed in Q2 Fiscal 2018 includes (Figure 3):

1. Select rock samples (6) from hydrothermally altered granite and surrounding country rock of hornfelsed and veined volcanics and sediments; and
2. Two orthogonal soil transects on 50 m stations (60 samples).

Targeted prospecting and rock sampling is ongoing through the fall field season on and around the Big Creek property.

An exploration program will be developed for Big Creek in 2018 once all data from 2017 are in hand, and integrated with compiled regional geological data sets.





0 0.5 1 2  
Kilometers

**Bonita Property, Nevada**  
VR Resources Ltd.



Figure 2. Location of rock samples, soil samples, geochronology samples, and IP geophysical lines completed by VR Resources at the Bonita Property. Circles labeled 1 through 4 delineate proposed drill holes for the 2017 summer/fall diamond drill program.

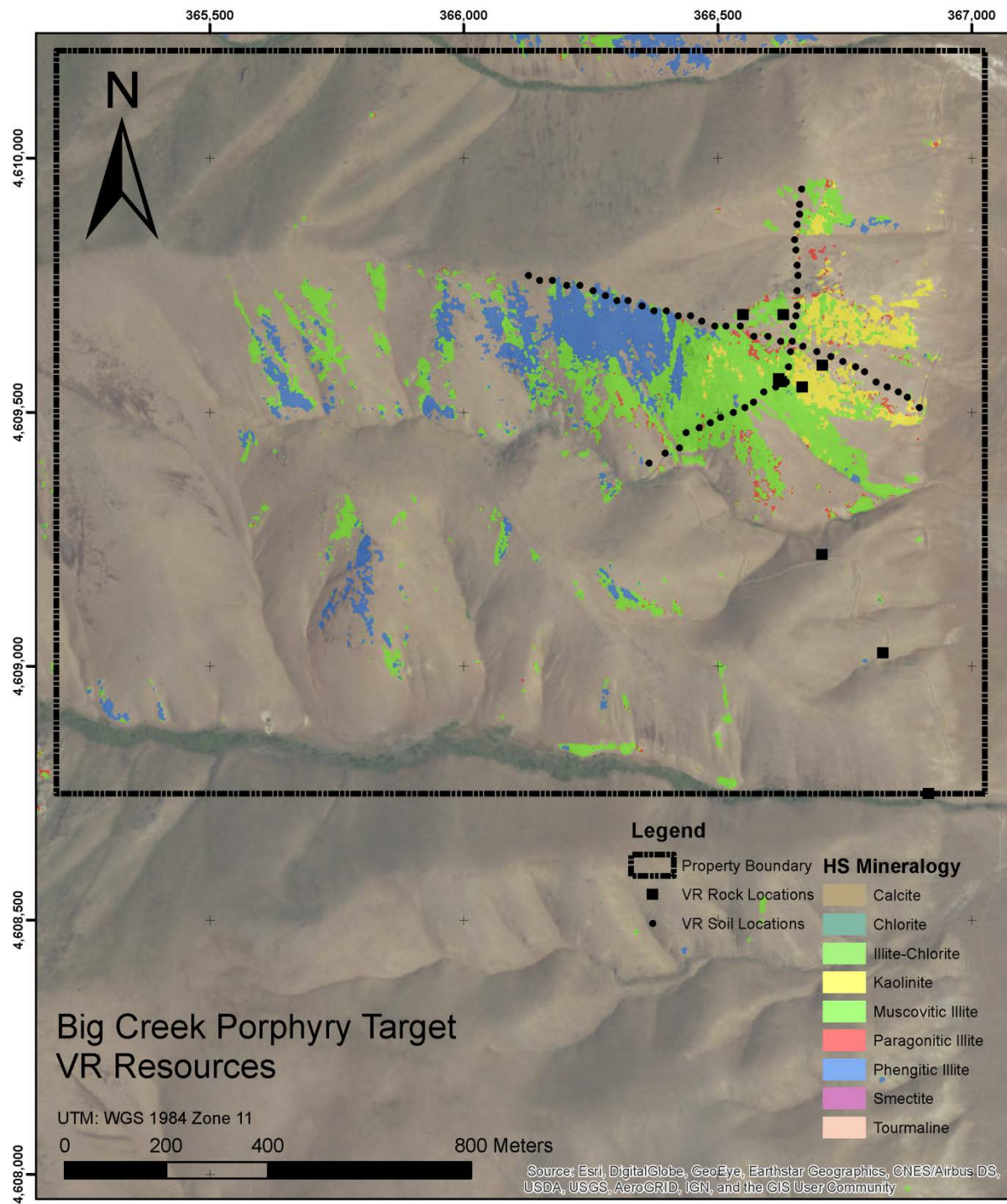


Figure 3. Satellite image of Big Creek Property, showing the large area of secondary alteration minerals identified by the 2017 airborne Hyperspectral survey, and the location of rock and soil samples.

## Junction Property, Nevada, USA

The Junction property was acquired in August 2017. The acquisition of the Junction property dovetails on the recent staking of the Big Creek property to reinforce the Company's evolving understanding of the copper-gold potential of the region. The Company has expertise to leverage, and synergies to exploit, by applying its extensive exploration experience during the past three years at its Bonita property.

The Junction property consists of 15 claims in one contiguous block covering 310 acres (125 hectares) located in Humboldt County, near the Nevada – Oregon border, and immediately east of Highway 140 (see Figure 1). The nearby town of Denio Junction facilitates efficient field exploration programs.

As reported on August 30, 2017, the general terms for the acquisition of a 100% interest in the Junction Property from Sunrise Resources PLC. ("Sunrise"), based on a binding acquisition agreement dated August 28, 2017, include:

- An initial payment to Sunrise by VR of US\$10,000 and 50,000 shares in the capital of VR;
- Payment of 50,000 shares in the capital of VR to Sunrise if VR completes a first-pass diamond drill program on the Junction property. If VR does not complete a drill program within 18 months of the acquisition, the property and any new exploration data are returned to Sunrise;
- Payment of 250,000 shares in the capital of VR to Sunrise if VR completes and files an NI 43-101 technical report containing a mineral resource estimate on the Junction property;
- Sunrise retains a Net Smelter Returns royalty of 3%, subject to VR's right to buy down up to one half of the royalty for US\$500,000 per half a percent; and
- An Area of Interest of two miles extends from the current property boundaries.

Final approvals and formal Closing of the acquisition agreement were announced on September 20, 2017.

The property was staked directly by Sunrise in 2015, based on a reconnaissance inspection of a copper-silver-gold occurrence listed in the United States Geological Survey (USGS) Mineral Resource Data System (MRDS), which itself was based on rock geochemistry in two samples collected from two separate outcrops by the Nevada Bureau of Mines. Historic surface workings of limited extent (pits, trenches, and adits) scattered across the property are inferred to date back to the 1930's and/or 1960's.

VR completed first pass geological mapping, prospecting, rock sampling and grid-based soil sampling in September and October 2017 (see Figure 4):

1. A total of 82 rock samples collected from on and around the property for geochemistry, and;
2. A total of 307 soil samples collected at 25 and 50 metre stations on 16 lines spaced 100 metres apart.

VR has identified copper sulfide mineralization at surface in the form of chalcopyrite, bornite and chrysocolla associated with centimetre- to decimetre- wide quartz veins which themselves are associated with leucocratic pegmatite dykes metres wide within orthogneiss of intermediate, granodiorite composition. Copper and gold mineralization is evident in outcrop and dump piles for more than 2,000 metres along a northeast-southwest trend, parallel to the metamorphic grain in the host orthogneiss. The property is mostly outcrop; colluvium is thin where present, and there is no vegetation other than rangeland grasses.

Selective prospecting and mapping continues as of the date of this report, through to the end of the fall field season. The company will report the results of all rock and soil geochemistry completed on the property this year when all of the geochemical data are in-hand and fully integrated into the Company's GIS platform.

Fieldwork to date has confirmed copper and gold mineralization along a significant strike length, with geological controls that are both consistent and mapable. Multiple, parallel zones of copper- and gold-bearing quartz veins and pegmatite dykes across a width of several hundred metres is implied by the current level of mapping.

The Company believes that there is material discovery potential at Junction for a mesothermal, orogenic copper-gold system. Geophysical surveys are anticipated for the spring of 2018 to evaluate the sub-surface continuation of sulfide minerals, and also to refine the geological framework of dykes, veins and shear zones which collectively control mineralization.



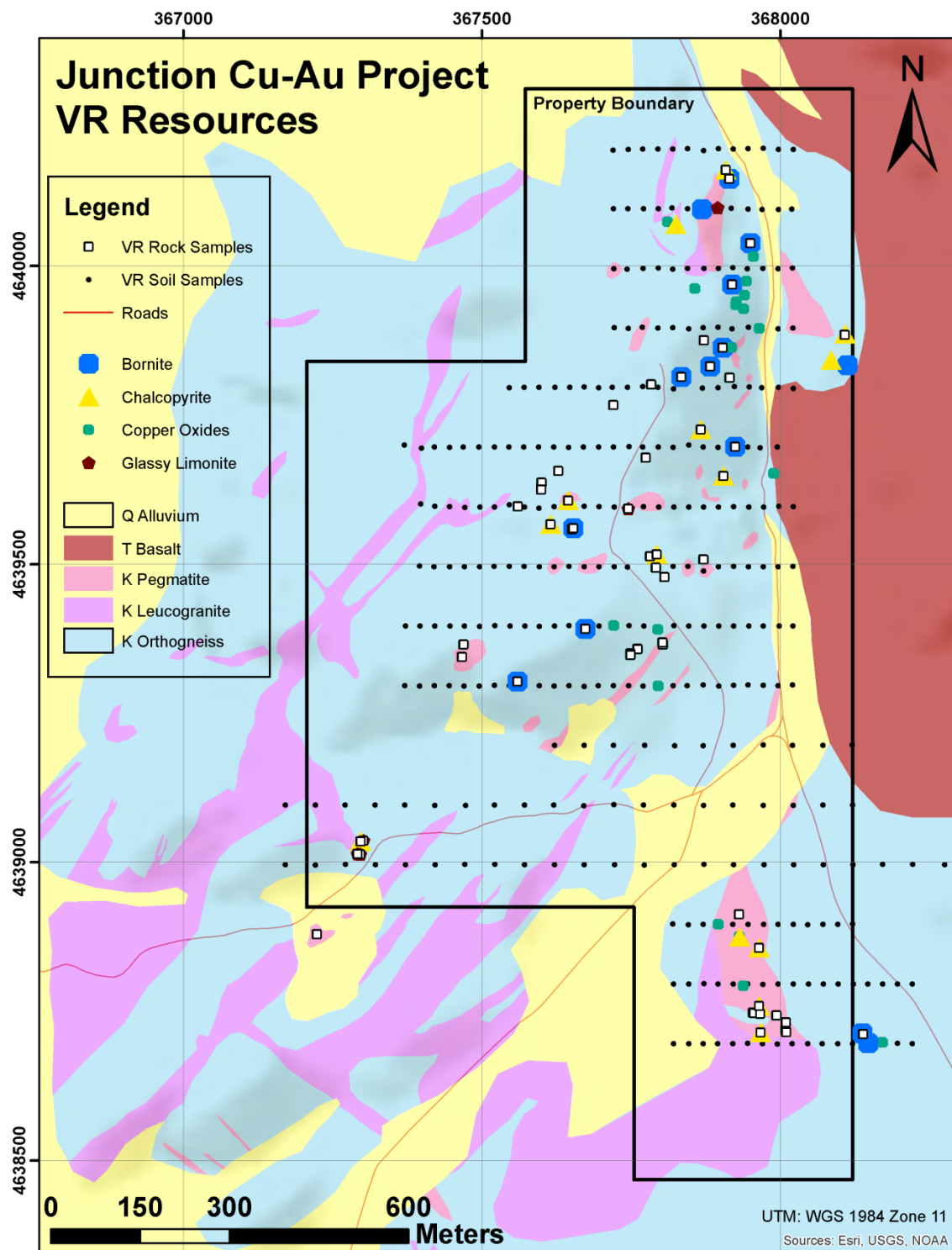


Figure 4. Distribution of surface copper showings examined and sampled by VR Resources on its Junction property. Also shown are sample sites for a soil geochemistry grid completed in Q2 Fiscal 2018.

## New Boston Property

The New Boston property was acquired in August, 2017 (see News Release dated September 20, 2017). The acquisition of New Boston augments the Company's copper-gold exploration strategy in Nevada. The company will leverage its experience and focus on porphyry systems in western Nevada over the past 5 years to explore and evaluate the copper-moly porphyry system and skarn mineralization at New Boston; proximity to the Company's nearby Yellow Peak property has particular technical relevance (see Figure 1). New Boston occurs within the southeastern part of the Walker Lane belt in west-central Nevada, and is located approximately 100 km southeast of the past-producing Yerington porphyry copper camp.

The New Boston property consists of 17 claims in one contiguous block covering 351 acres (142 hectares). It is located in Mineral County, approximately 150 kilometres southeast of Reno, Nevada.

As reported on August 29, 2017, the broad terms for the acquisition of a 100% interest in the New Boston property from Ely Gold and Minerals Inc. ("Ely"), based on a binding acquisition agreement dated August 28, 2017, include:

- An initial payment to Ely by VR of US\$10,000 and 50,000 shares in the capital of VR;
- Payment of 50,000 shares in the capital of VR to Ely if VR completes a diamond drill program on the New Boston property. If a drill program is not completed within 18 months of the acquisition, the property and any new exploration data will be returned to Ely;
- Ely retains a Net Smelter Returns royalty of 2% on the property, subject to VR's right to buy down up to one half of the royalty for US\$500,000 per half a percent; and
- An Area of Interest of 2 miles extends from the current property boundaries.

Final approvals and formal Closing of the acquisition agreement were announced on September 20, 2017.

The property location affords both year-round and cost-effective exploration. Access is from the town of Luning located just 5 kilometres to the northeast, on HWY 95 (see Figure 5). The property itself is criss-crossed by a myriad of old trails and roads, topography is subdued, and vegetation is sparse.

The New Boston mineral system is well established, with copper sulfide, copper oxide and sheeted quartz veins exposed at-surface over a 5 kilometre trend, hosted in both intermediate intrusive rocks, and in sedimentary country rock. Artisanal mining at the turn of the century focused on high grade W-Mo-Cu-Ag skarns at the west end of the system at the Blue Ribbon Mine. Deep Mo-Cu porphyry mineralization was the exploration focus of major mining companies in the 1960's and 1970's in the central and eastern part of the system, named New Boston, followed by drilling for shallow, skarn-related tungsten mineralization at the Jeep Mine in the center of the system. Evident simply in the number of historic drill holes shown on Figure 5, VR will focus on well mapped but less explored sheeted vein and hydrothermal breccia systems in the eastern-most part of the system where weathering has exposed the deeper parts of the New Boston system.

VR did not commence active exploration on the ground at New Boston in 2017. The first priority is to compile this fall all available historic exploration data and integrate with all available regional geological data. An exploration program will be developed and evaluated for 2018 once a fully integrated GIS workspace is in hand, and current, modern porphyry mineral deposit models for the Walker Lane are applied to the New Boston porphyry Cu-Mo mineral system.

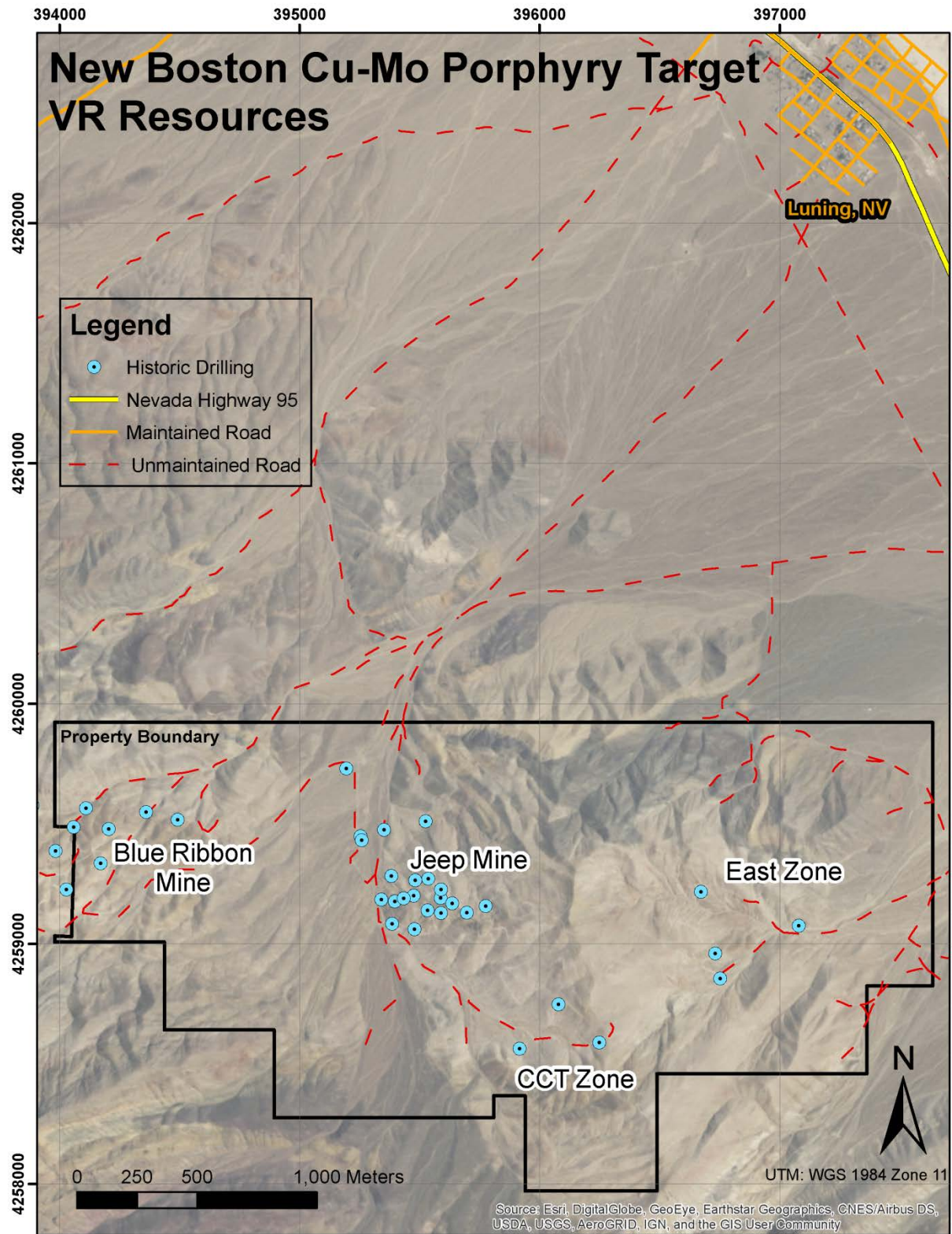


Figure 5. Outline of the New Boston property, Mineral County, Nevada.

## Danbo Property, Nevada, USA

Targeted exploration continued at the Danbo property in Q2 Fiscal 2018.

The Danbo property is a contiguous block of 28 claims covering 579 acres (234.1 hectares), in Nye County in west-central Nevada. It is in the Monitor Range, approximately 50 kilometres north and east of Tonopah. Cost effective exploration is afforded by road access to the property from Highway 82.

It is owned 100%, registered to VR's wholly-owned and Nevada-registered US subsidiary Renntiger Resources USA Ltd. The property does not have any associated joint venture interests or underlying lease payments. There is a 3% net smelter return royalty (NSR) attached to eight core claims in the middle of the property, for which VR has a buy-down right to purchase one half of the royalty for US\$ 3,000,000. The property occurs on land administered by the federal Forest Service. There are no impediments to access the property because of private land ownership, nor is the property within the BLM's broadly defined area of sage grouse protection.

The property is located within the southeastern part of the Walker Lane mineral belt in central Nevada. It occurs in an extensional, Tertiary-aged rhyolite volcanic centre analogous to the setting of the past producing Paradise Peak gold mine operated by FMC Mining Corp. between 1986 and 1994, and located approximately 60 kilometres to the northwest, within the Walker Lane Belt. Approximately 1.4 million ounces of gold were produced by open pit and heap leach methods, at an average grade of 5.5 g/t Au (United States Geologic Survey public data source).

There are scattered historic workings at Danbo, and in the surrounding district, active between the 1900's and 1930's. Modern exploration at Danbo is limited to early-stage surface sampling and reverse-circulation drilling program in the early 1980's by Amselco. Overall, the property is remote and underexplored, but has road access for cost-effective exploration.

There is gold mineralization at surface at Danbo over a strike length of at least 1,200 metres (Figure 6). The gold occurs in high-level epithermal banded quartz veins and quartz vein breccia, locally with bladed quartz-carbonate textures, and hosted within Tertiary rhyolite tuff. The veins typically contain trace, fine grained sulfide minerals. There are more than ten grab samples collected from the entire length of the vein system during the past 5 years which have gold contents in excess of 1 g/t and up to 197 g/t, and silver contents in excess of 5 g/t and up to 137 g/t silver, respectively. The base metals are not anomalous in the Danbo quartz veins.

As summarized in Figure 6, VR completed reconnaissance work in 2016, followed up by an airborne Hyperspectral survey in August of 2017, Q2 Fiscal 2018. A work summary includes:

### 2016

- Geological mapping of Tertiary volcanic stratigraphy, and Structural mapping of the vein system which crops out over an area approximately 1,200 m long by 400 m wide;
- Alteration mapping in the field, aided by systematic collection of 43 samples of vein outcrops for SWIR spectral analyses (TerraSpec mineral reflectance alteration mapping);
- Soil sampling: 96 samples on 25 metre stations on 6 lines covering 800 m strike length of the vein system; and
- Ground magnetic survey: 16 lines, 600 m long, on 100 spacing, for 9.6 line-kilometres in block 1.6 kilometer by 600 metres covering the vein system.

### 2017 (Q2 Fiscal 2018)

- Airborne Hyperspectral survey for mineral alteration mapping covering 3 by 1.5 kilometre area over vein system: 3 metre pixel resolution;
- Level III processing;
- Soil Sampling: 40 additional samples to extend and infill existing samples; and
- Rock sampling of veins: 46 samples

Partial data are in hand for soil and rock geochemistry. Select additional sampling is planned for November 2017, at the end of the fall field season.

Results will be reported in full once all data are in-hand and integrated into an exploration plan for 2018, including the evaluation and prioritization of targets for the first-ever diamond drill testing of the Danbo gold vein system.



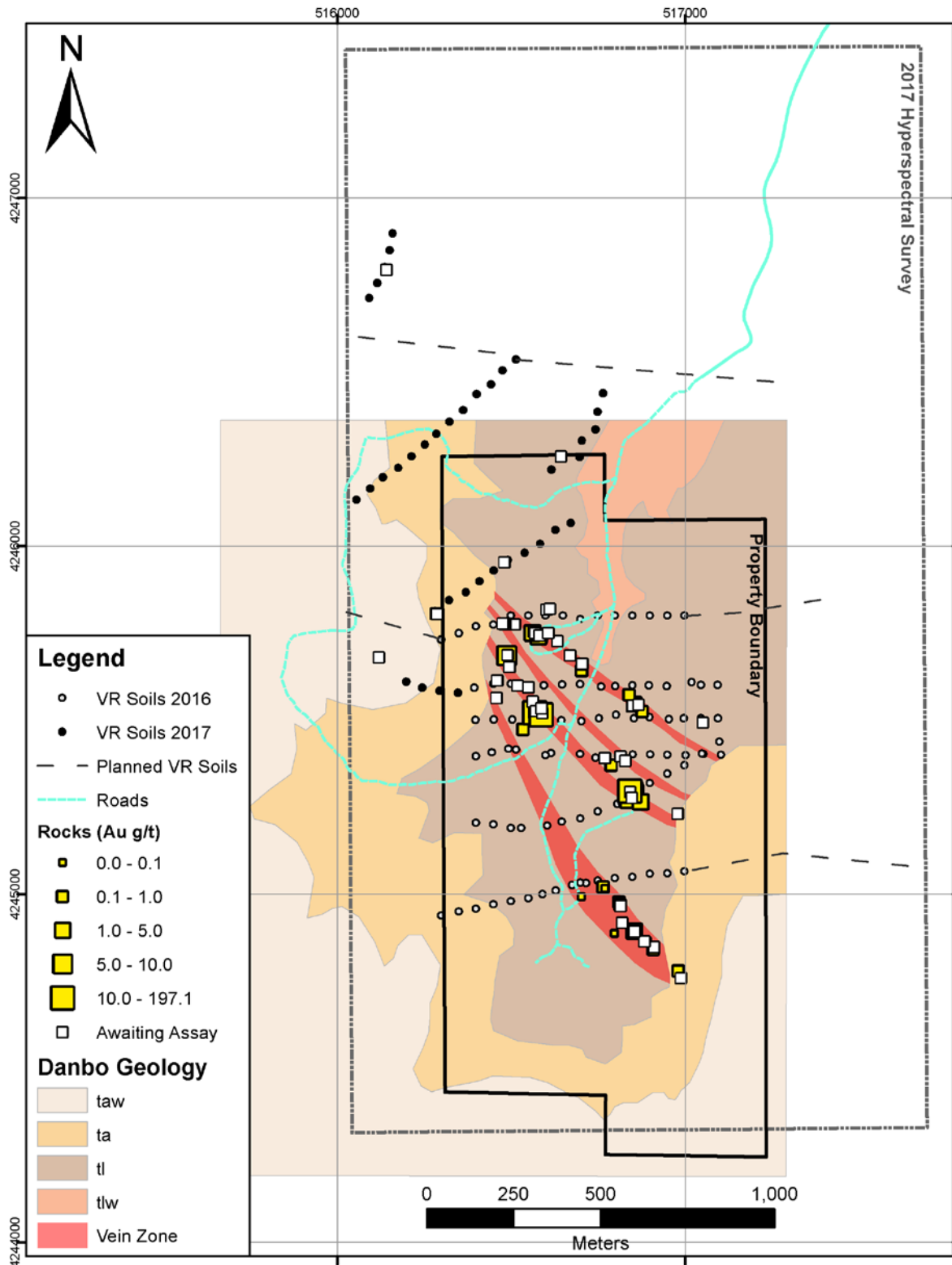


Figure 6. General geology (Tertiary rhyolite volcanic units; quartz vein zones) of the Danbo Property based on mapping by VR Resources in 2016, historic gold-in-quartz vein rock geochemistry sample locations and values, and locations of rock samples and soil samples from VR Resources in 2017.

### Qualified Person

Dr. Michael H. Gunning, Ph.D., P.Geo, President, is a Qualified Person as defined by National Instrument 43-101, and has reviewed and approved the technical disclosure contained in this MDA.

### **SUMMARY OF QUARTERLY RESULTS**

The following selected financial data have been prepared in accordance with IFRS and should be read in conjunction with the Company's consolidated financial statements. The following is a summary of selected financial data for the Company for its eight completed financial quarters ended September 30, 2017.

<b>Quarter Ended Amounts in 000's</b>	<b>Sept 30, 2017</b>	<b>June 30, 2017</b>	<b>Mar. 31, 2017</b>	<b>Dec. 31, 2016</b>	<b>Sept. 30, 2016</b>	<b>June 30, 2016</b>	<b>Mar. 31, 2016</b>	<b>Dec. 31, 2015</b>
Net income (loss)	(257)	(265)	(1,869)	(112)	(110)	(24)	(1,838)	(5)
Earnings (loss) per share – basic and diluted	(0.01)	(0.01)	(0.11)	(0.01)	(0.01)	(0.00)	(0.15)	(0.00)
Total assets	4,994	4,945	5,555	1,959	1,581	1,021	731	2,543
Working capital	2,228	3,253	3,779	455	674	246	(2)	5

During the quarters ended June 30 and September 30, 2017 the Companies working capital decreased mainly because of the expenditures on exploration and evaluation assets.

During the quarter ended March 31, 2017 the Company completed a reverse acquisition and recorded a listing expense of \$1,184,674. The Company, because of the reverse acquisition, completed a brokered and non-brokered financing for gross proceeds of \$4,414,000 which increased the working capital and total assets of the Company.

During the quarter ended March 31, 2016 the Company determined that the carrying value of its interest in the Yellow Peak property was impaired because no additional expenditures are planned for the property now. As a result, the Company wrote off cumulative costs incurred to date on the Yellow Peak property of \$1,815,889 (2015 - \$Nil) as an impairment loss.

The Companies general and administrative costs have been increasing over the last four quarters, particularly the quarter ended March 31, 2017, because of the reverse acquisition. The following financial results of operation describe in detail those expenses that have increased.

#### ***Six Months ended September 30, 2017 compared to six months ended September 30, 2016***

The Company's general and administrative costs were \$531,180 (2016 - \$134,123) with the increase due mainly to the increase in permanent geological staff to carry out active exploration on the ground in Nevada, including the development of a working GIS platform to support that work. Reviews of the major items are as follows:

- Consulting fees of \$27,511 (2016 - \$35,000) consisting of CFO fee of \$12,000 (2016 - \$Nil), Corporate Compliance of \$9,510 (2016 - \$Nil), strategic business plan of \$Nil (2016 - \$35,000) and other of \$6,000 (2016 - \$Nil);
- Foreign exchange loss of \$40,878 (2016 - \$4,243), because of the strengthening of the Canadian dollar vs the USA dollar, on cash held in USA currency;
- Investor relations and promotion of \$67,120 (2016 - \$Nil) consisting of investor relations contract of \$30,000 (2016 - \$Nil), conferences of \$12,000 (2016 - \$Nil) and trade shows news dissemination and other of \$25,120 (2016 - \$Nil);
- Professional fees of \$37,785 (2016 - \$15,961) consisting of legal of \$19,292 (2016 - \$3,710) and accounting and audit of \$18,493 (2016 - \$12,251);

- Salaries of \$116,933 (2016 - \$Nil) which consisted of the salaries for the CEO and geologist; and
- Share-based compensation of \$116,933 (2016 - \$57,999) for options issued during the period.

### ***Three Months ended September 30, 2017 compared to three months ended September 30, 2016***

The Company's general and administrative costs were \$262,023 (2016 - \$110,504), and reviews of the major items are as follows:

- Consulting fees of \$12,805 (2016 - \$20,000) consisting of CFO fee of \$6,000 (2016- \$ 2,500), Corporate Compliance of \$3,805 (2016 - \$Nil), strategic business plan of \$Nil (2016 - \$20,000) and other of \$3,000 (2016 - \$Nil);
- Foreign exchange loss of \$17,177 (2016 - \$3,767), because of the strengthening of the Canadian dollar vs the USA dollar, on cash held in USA currency;
- Investor relations and promotion of \$32,427 (2016 - \$Nil) consisting of investor relations contract of \$15,000 (2016 - \$Nil), conferences of \$10,000 (2016 - \$Nil) and trade shows, mail outs, news dissemination and other of \$7,427 (2016 - \$Nil);
- Professional fees of \$12,790 (2016 - \$11,656) consisting of legal of \$9,135 (2016 - \$1,906) and accounting and audit of \$3,755 (2016 - \$9,750);
- Salaries of \$81,897 (2016 - \$Nil) which consisted of the salaries for the CEO and geologist; and
- Share-based compensation of \$65,064 (2016 - \$57,999) for options issued during the period.

### **LIQUIDITY AND CAPITAL RESOURCES**

As at September 30, 2017, the Company had working capital of \$2,227,968 (March 31, 2017 - \$3,778,553).

Because of economic conditions, globally, there is uncertainty in capital markets and the Company anticipates that it and others in the mineral resource sector will have limited access to capital. Although the business and assets of the Company have not changed, investors have increased their risk premium and their overall equity investment has diminished. The Company continually monitors its financing alternatives and expects to finance its fiscal 2018 operating overhead and acquisition and exploration expenditures through private placements.

The quantity of funds to be raised and the terms of any equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise. There can be no assurance that such funds will be available on favorable terms, or at all.

During the period ended March 31, 2017 the Company completed a private placement of 4,500,001 common shares at \$0.21 per common share for gross proceeds of \$945,000, less a \$15,750 cash finders' fee, for net proceeds of \$929,250. Regarding the private placement, the Company also issued 146,500 common shares with a fair value of \$0.21 per share, totalling \$30,765, for finders' fees. This amount was recorded as an offset to share capital, as a share issue cost.

During the year ended March 31, 2017 the Company completed a Brokered Financing of 13,333,333 units issued at \$0.30 per unit, for gross proceeds of \$4,000,000 and a Non-Brokered Financing of 1,382,364 units issued at \$0.30 per unit, for gross proceeds of \$414,709. Each unit consists of one common share and one-half of one common share purchase warrant (each whole common share purchase warrant, a "Warrant"). Each warrant will entitle the holder thereof to purchase one common share of the Company at an exercise price of \$0.60 to March 21, 2019. Cash finder's fees in the amount of \$280,000 were paid, and 933,333 compensation options were issued, valued at \$146,437. Additionally, professional fees of \$127,783 were incurred regarding this financing, and was recorded as an offset to share capital, as share issue costs.

The Company has no long-term debt obligations.

### SHARE CAPITAL

(a) As of the date of the MDA the Company has 35,955,225 issued and outstanding common shares. The authorized share capital is unlimited no par value common shares.

(b) As at the date of the MDA the Company has 3,100,000 incentive stock options outstanding.

(c) As at the date of the MDA the Company has 8,291,183 share purchase warrants.

### RELATED PARTY TRANSACTIONS

Key management personnel compensation for the period ended September 30, were:

	2017	2016
<b>Short-term benefits paid or accrued:</b>		
Professional fees paid to Blaine Bailey (CFO)	\$ 12,000	\$ 2,500
Consulting fee paid to Michael Thomson (Chair of Audit Committee and Director)	6,000	-
Salary paid to Michael Gunning (CEO)	96,000	-
	<u>114,000</u>	<u>2,500</u>
<b>Share-based payments:</b>		
Consulting fees	\$ -	\$ 30,748
	<u>-</u>	<u>30,748</u>
<b>Total remuneration</b>	<b>\$ 114,000</b>	<b>\$ 33,248</b>

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. Directors of the Company are not currently compensated for their services.

The Company has an arrangement with Balmoral Resources Ltd. ("Balmoral"), a Company with a common director, to provide office space and corporate compliance support. During the period ended September 30, 2017 the Company paid to Balmoral \$19,710 (2016 - \$Nil) for office rent and corporate compliance.

### OFF BALANCE SHEET ARRANGEMENTS

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

### INVESTOR RELATIONS

On February 16<sup>th</sup>, 2017, the Company entered an investor relations contract with Renmark Financial Communications Inc. ("Renmark") to provide investor relations services to the Company. The agreement is for an initial term of six months, and may continue thereafter on a month to month basis. Under the agreement, Renmark will be paid the sum of \$5,000 per month.

### PROPOSED TRANSACTIONS

Currently the Company is not a party to any material proceedings. The Company continually evaluates new opportunities, including new properties by staking, acquisition or joint venture, and corporate consolidation or merger opportunities.

### NEW STANDARDS AND UPCOMING ACCOUNTING PRONOUNCEMENTS

Please refer to note 2 of the September 30, 2017 condensed consolidated interim financial statements on [www.sedar.com](http://www.sedar.com) for a comprehensive list of the accounting policies not yet adopted during the current period.



## RISKS AND UNCERTAINTIES

The Company's business is mineral exploration. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, mineral prices, political, and economical.

The Company will take steps to verify the title to any properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties. These procedures do not guarantee the Company's title. Property titles may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

The Company has no significant sources of operating cash flow and no revenue from operations. Additional capital will be required to fund the Company's exploration program. The sources of funds available to the Company are the sale of equity capital or the offering of an interest in its project to another party. There is no assurance that it will be able to obtain adequate financing in the future or that such financing will be advantageous to the Company.

The property interests to be owned by the Company or in which it may acquire an option to earn an interest are in the exploration stages only, are without known bodies of commercial minerals and have no ongoing operations. Mineral exploration involves a high degree of risk and few properties, which are explored, are ultimately developed into production. If the Company's efforts do not result in any discovery of commercial minerals, the Company will be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous materials and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties in which it previously had no interest. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liabilities to the Company.

## FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

### **Financial risk factors**

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. 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; and
- Level 3 – Inputs that are not based on observable market data

The fair value of cash is measured at Level 1 of the fair value hierarchy. The carrying value of receivables, and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

### **Financial risk factors**

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

#### *Credit risk*

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and receivables. Management believes that the credit risk concentration with respect to receivables is remote as they are due from the Government of Canada. The Company's cash is deposited in accounts held at a large financial institution in Canada. As such, the Company believes the credit risk with cash is remote. Receivables comprise input tax receivables due from the Government of Canada. The Company considers the credit risk of receivables to be low.

#### *Liquidity risk*

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As of September 30, 2017, the Company had a cash balance of \$2,396,246 (2017 - \$4,157,167) to settle current liabilities of \$195,129 (2017 - \$444,027). All the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

The Company intends to raise additional equity financing in the coming fiscal year to meet its obligations.

#### *Interest rate risk*

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade demand investments issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. The Company is not subject to significant exposure to interest rate risk.

#### *Foreign currency risk*

The Company is exposed to foreign currency risk on fluctuations related to assets and liabilities that are denominated in USD. As at September 30, 2017 the amounts exposed to foreign currency risk include cash of US\$513,525 (March 31, 2017 - US\$1,000,000).

#### *Price risk*

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's profit or loss, the ability to obtain financing, or the ability to obtain a public listing due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on profit or loss and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in value may be significant.

### CAPITAL MANAGEMENT

The Company defines capital that it manages as shareholders' equity, consisting of issued common shares, stock options and warrants included in reserve, and subscriptions receivable.

The Company manages its capital structure and adjusts it, based on the funds available to the Company, to support the acquisition, exploration and development of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The property in which the Company currently has an interest is in the exploration stage; as such the Company has historically relied on the equity markets to fund its activities. The Company will also assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital restrictions. There were no changes to the Company's approach to capital management during the year.

### FORWARD-LOOKING STATEMENTS

This MD&A contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian and U.S. securities legislation. These statements relate to future events or the future activities or performance of the Company. All statements, other than statements of historical fact, are forward-looking statements. Information concerning mineral resource/reserve estimates and the economic analysis thereof contained in preliminary economic analyses or prefeasibility studies also may be deemed to be forward-looking statements in that they reflect a prediction of the mineralization that would be encountered, and the

results of mining that mineralization, if a mineral deposit were developed and mined. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate, plans and similar expressions, or which by their nature refer to future events. These forward-looking statements include, but are not limited to, statements concerning:

- the Company's strategies and objectives, both generally and in respect of its specific mineral properties or exploration and evaluation assets;
- the timing of decisions regarding the timing and costs of exploration programs with respect to, and the issuance of the necessary permits and authorizations required for, the Company's exploration programs;
- the Company's estimates of the quality and quantity of the resources and reserves at its mineral properties;
- the timing and cost of planned exploration programs of the Company and the timing of the receipt of result thereof;
- general business and economic conditions;
- the Company's ability to meet its financial obligations as they come due, and to be able to raise the necessary funds to continue operations; and
- the Company's expectation that it will be able to add additional mineral projects of merit to its existing property portfolio.

Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Inherent in forward looking statements are risks and uncertainties beyond the Company's ability to predict or control, including, but not limited to, risks related to the Company's inability to raise the necessary capital to be able to continue in business and to implement its business strategies, to identify one or more economic deposits on its properties, variations in the nature, quality and quantity of any mineral deposits that may be located, variations in the market price of any mineral products the Company may produce or plan to produce, the Company's inability to obtain any necessary permits, consents or authorizations required for its activities, to produce minerals from its properties successfully or profitably, to continue its projected growth, and other risks identified herein under "Risk Factors".

The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results are likely to differ, and may differ materially, from those expressed or implied by forward looking statements contained in this MD&A. Such statements are based on several assumptions which may prove incorrect, including, but not limited to, assumptions about:

- the level and volatility of the price of commodities;
- general business and economic conditions;
- the timing of the receipt of regulatory and governmental approvals, permits and authorizations necessary to implement and carry on the Company's planned exploration;
- conditions in the financial markets generally;
- the Company's ability to attract and retain key staff;
- the nature and location of the Company's mineral exploration projects, and the timing of the ability to commence and complete the planned exploration programs; and
- the ongoing relations of the Company with its regulators.

These forward-looking statements are made as of the date hereof and the Company does not intend and does not assume any obligation, to update these forward-looking statements, except as required by applicable law. For the reasons set forth above, investors should not attribute undue certainty to or place undue reliance on forward-looking statements.

Historical results of operations and trends that may be inferred from the following discussion and analysis may not necessarily indicate future results from operations. The current state of the global securities markets may cause significant reductions in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to sustain operations.

#### MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Disclosure controls and procedures are controls and other procedures that are designed to provide reasonable assurance that all relevant information required to be disclosed in the Company's reports filed or submitted as part of the Company's continuous disclosure requirements is gathered and reported to senior management, including the Company's Chief Executive Officer and Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure and such information can be recorded, processed, summarized and reported within the time periods specified by applicable regulatory authorities.

Management of the Company, with the participation of the Chief Executive Officer and the Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures as at September 30, 2017 as required by Canadian securities laws. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that, as of September 30, 2017, the disclosure controls and procedures were effective. However, Management and the Board of Directors recognize that no matter how well designed the Company's control systems are, such controls can only provide reasonable assurance, not absolute assurance, of detecting, preventing and deterring errors.

#### CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There have not been any changes in the Company's internal control over financial reporting or any other factors during the period ended September 30, 2017, that have materially affected, or are reasonably likely to materially affect our internal control over financial reporting.

#### DISCLOSURE OF MANAGEMENT COMPENSATION

In accordance with the requirements of Section 19.5 of TSXV Policy 3.1, the Company provides the following disclosure with respect to the compensation of its directors and officers during the period:

1. During the period ended September 30, 2017, the Company did not enter any standard compensation arrangements made directly or indirectly with any directors or officers of the Company, for their services as directors or officers, or in any other capacity, with the Company or any of its subsidiaries except as disclosed under "Related Parties Transactions".
2. During the period ended September 30, 2017, officers of the Company were paid for their services as officers by the Company as noted above under "Related Parties Transactions".
3. During the period ended September 30, 2017, the Company did not enter any arrangement relating to severance payments to be paid to directors and officers of the Company and its subsidiaries.

#### APPROVAL

The Board of Directors of the Company has approved the disclosures in this MDA.