GREAT BEAR RESOURCES LTD.

MANAGEMENT DISCUSSION AND ANALYSIS

For the Nine Months Ended September 30, 2017

Dated November 24, 2017

.

This management's discussion and analysis ("MD&A") for the nine months ended September 30, 2017 is prepared by management on November 24, 2017 for Great Bear Resources Ltd. (the "Company" or "Great Bear") in accordance with International Financial Reporting Standards ("IFRS"). The MD&A should be read in conjunction with the Company's consolidated financial statements and related notes for the nine months ended September 30, 2017 and the year ended December 31, 2016.

All amounts are in Canadian dollars unless otherwise specified.

Additional information is available on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at **www.sedar.com.**

Forward-Looking Statements

This MD&A, which contains certain forward-looking statements, are intended to provide readers with a reasonable basis for assessing the financial performance of the Company. All statements, other than statements of historical fact, are forward-looking statements. The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to, fluctuations in the currency markets such as Canadian dollar and U.S. dollar, fluctuations in the prices of precious metals, base metals, and other commodities, changes in government legislation, taxation, controls, regulations and political or economic developments in Canada, the United States or other countries in which the Company carries or may carry on business in the future, risks associated with mining or development activities, the speculative nature of exploration and development, including the risk of obtaining necessary licenses and permits, and quantities or grades of reserves. Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. Readers are cautioned that forward-looking statements are not guarantees of future performance. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those acknowledged in such statements. Specific reference is made to the "Risk and Uncertainties" section of these MD&A for a discussion of some of the factors underlying forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.

OVERVIEW

PRINCIPAL BUSINESS AND CORPORATE HISTORY

Great Bear Resources Ltd. is a publicly traded mineral exploration company listed on the TSX Venture Exchange ("TSX-V") under the symbol "GBR". The Company was incorporated under the Company Act (British Columbia) on December 6, 2001. On January 22, 2010, the Company changed its name from Great Bear Uranium Corp. to Great Bear Resources Ltd. Since August 2006, the Company's main business focus has been to acquire and explore mineral properties. To date, the Company has not earned any revenues from its mineral property interests and is considered to be in the exploration stage.

EXPLORATION AND EVALUATION ASSETS

For details of the resource properties' agreements refer to the Company's consolidated financial statements and related notes for the nine months ended September 30, 2017 and the year ended December 31, 2016.

a) The BA Project, British Columbia

By agreement dated January 28, 2010, the Company entered into an Option and Joint Venture Agreement with Mountain Boy Minerals Ltd. ("Mountain Boy") to acquire up to a 70% interest in the BA Property and George Copper claims Property located in the Skeena Mining Division, Province of British Columbia.

On October 25, 2010, the Company entered into an Amending Agreement to the Option and Joint Venture Agreement relating to the BA Property whereby the Surprise Creek Property was included under the terms of the Joint Venture Agreement and acquisition costs for the Surprise Creek Property were borne entirely by the Company, and were applied against its earn-in requirement towards the BA Property.

The Company earned an initial 50% interest in the BA Property by paying $158,000 and by incurring $5.5 million in exploration expenditures before December 31, 2013.

During the year ended December 31, 2014 management assessed the carrying value of the BA property, which had been impaired due to a prolonged decrease in the price of commodities including metals. Consequently, the Company recorded an impairment charge of $4,645,093 related to the BA property.

In October 2016, Great Bear amended its 50 – 50 interest in the BA and Surprise Creek properties. Separate Joint Venture agreements were signed for each property giving Great Bear operational control and casting vote on exploration decisions at BA and Mountain Boy Minerals Ltd. the same at Surprise Creek. Annual minimum work programs of $250,000 are now required on each property, to be paid for on a pro rata basis as per each company's ownership percentage, which at the time of signing was 50% in each property.

On June 1, 2017, the Company entered into an Agreement to grant an option to Mountain Boy to acquire the Company's 50% interest in and to each of the BA Property and Surprise Creek Property. Under the option agreement, Mountain Boy will pay:

- $1.3 million in stages between August 20, 2017 and August 20, 2020, including $300,000 in 2017;
- Issue the Company a total of 10 million shares in stages between the date of TSX.V acceptance and April 15, 2020;
- $200,000 upon completion of a NI 43-101 compliant Mineral Resource at the Surprise Creek Property;
- $200,000 upon completion of a Pre-Feasibility Study on the Surprise Creek Property;
- $800,000 upon commencement of construction of a mine to extract ore from the Surprise Creek Property;
- $400,000 upon completion of a NI 43-101 compliant Mineral Resource at the BA Property;
- $500,000 upon completion of a Pre-feasibility study on the BA Property; and
- $1,600,000 upon commencement of construction of a mine to extract ore from the BA Property.

The Company will retain a Right of First Refusal on the sale of both the Surprise Creek and BA properties, should Mountain Boy enter into sale agreement on either project in whole or in part with a third party.

The Joint Venture Agreement will be suspended during the period of the option, and if Mountain Boy elects not exercise an option or fails to make any payments or share issuances to the Company in respect of either optioned property, the joint venture between the Company and Mountain Boy will resume in respect of that property at 50% interest owned by each company.

On September 1, 2017, the Company announced that it received final approval of the TSX Venture Exchange to grant the option to its joint venture partner, Mountain Boy Minerals Ltd., to acquire the Company's 50 percent interest in and to each of the "BA" and "Surprise Creek" joint ventures and associated properties.

On September 26, 2017, the Company reported that it received the first $150,000 payment related to the option of its Golden Triangle, B.C. area projects. Under the terms of the agreement, the Company will receive $1,300,000 in cash payments and 10,000,000 shares of the projects' Optionee Mountain Boy Minerals Ltd. over three years.

b) Surprise Creek Property, British Columbia

The Company owns 50% of the Surprise Creek Property subject to a 1% NSR, which may be purchased by the Company. Surprise Creek Property is located in the Skeena Mining Division in the province of British Columbia, and is comprised of 19 mineral claims totaling 7,472 hectares.

During the year ended December 31, 2014 management assessed the carrying value of the Surprise Creek property, which had been impaired due to a prolonged decrease in the price of commodities including metals. Consequently, the Company recorded an impairment charge of $214,540 related to the Surprise Creek property.

In October 2016, the Company amended its Joint Venture Agreement with Mountain Boy (see disclosure under BA Property).

On June 1, 2017, the Company entered into an Agreement to grant an option to Mountain Boy to acquire the Company's 50% interest in and to each of the BA Property and Surprise Creek Property (see disclosure under BA Property).

c) Dixie Lake, Ontario, Canada

On November 20, 2015 the Company entered into an agreement to acquire the Dixie Lake mining claims in Ontario consisting of a 67% interest in 45 mining claims and a 100% interest in 4 newly staked mining claims.

In order to acquire the interest the Company must make the following cash payments and share issuances:

- $4,000 to be paid by November 2, 2015 (paid);
- $16,000 to be paid within 7 days of executing the acquisition agreement (paid);
- 20,000 shares to be issued within 30 days of the execution date of the acquisition agreement (issued);
- $20,000 to be paid on the first anniversary of executing the acquisition agreement (paid);
- $20,000 to be paid on the second anniversary of executing the acquisition agreement;
- $30,000 to be paid on the third anniversary of executing the acquisition agreement; and
- $40,000 to be paid on the fourth anniversary of executing the acquisition agreement.

On April 18, 2017, Great Bear announced the start of its 2017 exploration work and diamond drilling at Dixie Lake. A field program that includes the re-logging of historical drill core will be followed by a 1,000 meter drill program. Drilling will test continuity and strength of gold mineralization across approximately one kilometer of strike, down to vertical depths of approximately 100 meters.

On July 17, 2017, subsequent to the quarter-end, the Company announced that it has entered into a Purchase Agreement (the "Agreement") with Newmont Canada Holdings, ULC ("Newmont"), a subsidiary of Newmont Mining Corporation (NYSE: NEM) to acquire Newmont's 33% interest in the Dixie Lake project, located in the Red Lake district of Ontario.

Under the terms of the Agreement, the Company must pay $80,000 ($20,000 paid) over four years to purchase all of Newmont's 33% interest in the project. The purchase can be accelerated at any time at the Company's discretion. The Agreement is subject to TSX.V approval.

On August 9, 2017, the Company announced it has completed Phase 1 drilling at the Dixie Lake gold project in the Red Lake district of Ontario. The Company completed 1,047 metres of drilling with eight diamond drill holes along 450 metres of strike of the main mineralized zone on the project. Drill holes tested mineralization between approximately 30 and 110 metres vertically from surface. Drill core has been submitted for assay and the Company is expecting to receive results within approximately four weeks.

On September 5, 2017, the Company announced the expansion of its Dixie Lake gold property, through the staking of an additional 26 mineral claims totalling 5,358 hectares. These new claims cover interpreted strike extension of regional structures and favourable stratigraphy similar to those identified at the Dixie Lake gold zone. Geological interpretation of recent drilling completed by the Company, combined with re-logging of historical drill core, identified key structural controls to the gold mineralization. Collectively, Great Bear now controls 9,831 hectares of highly prospective, royalty free land in the Red Lake district and has the option to earn a 100% interest in all of its properties.

On September 7, 2017, in addition to announcing the results from the first 5 holes of an 8-hole drill program completed on the Dixie Lake Project, the Company also announced its anticipated fall-winter exploration program. The Company completed a private placement in July, 2017 to finance the mapping, geophysical investigations and drilling planned for this fall-winter program.

On September 26, 2017, the Company announced the commencement of a detailed geophysical survey overs its Red Lake District properties. Following analysis of geophysical and both historical and recent drill data from the Dixie Lake project, it was concluded that the Dixie Lake property overlies a regionally significant gold-mineralized structure with gold in drill-core across more than 11.5 kilometers of strike length.

Subsequent to the period ended September 30, 2017:

On October 11, 2017, the Company announced that it had completed the geophysical survey of the Red Lake Gold District properties. In total 2,676 line kilometers of high resolution airborne magnetic data were collected at 50 meter line spacing across all of the Company's Red Lake properties.

On November 2, 2017, the Company announced complete results of the summer 2017 drill program completed on the Dixie Lake project, with all 8 holes returning intervals of gold mineralization displaying excellent continuity. The Company identified four steeply-plunging zones of high grade gold within the 500m by 300m area of the main gold structure that has been drilled to-date. The recently completed geophysical survey also confirmed that the Dixie Lake gold zone occurs within a more than 20 kilometer long, major regional structure on Great Bear's claims. The area drilled by the Company is one of several targets with similar geophysical expressions along this trend, suggesting capacity for multiple on-strike gold zones.

d) West Madsen, Ontario, Canada

On December 29, 2016, the Company signed a Purchase Agreement to acquire 100% ownership of the West Madsen gold project in the Red Lake Gold District of Ontario, whereby the Company must pay $70,000 cash ($12,000 paid) and issue 100,000 shares (issued) over four years. On August 29, 2017, the Company entered into an Amending Agreement to the Purchase Agreement. Under the amendment, the Company will pay in cash and in shares as follows:

Due Date	Cash	Common Shares
Within 7 business days of August 29, 2017	$ 12,000 (paid)	-
Within 7 business days of TSX approval	-	300,000 (issued)
December 29, 2017	$ 10,000	-
August 29, 2018	$ 12,000	-
December 29, 2018	$ 12,000	-
August 29, 2019	$ 14,000	-
December 29, 2019	$ 16,000	-
August 29, 2020	$ 16,000	-
December 29, 2020	$ 20,000	-
August 29, 2021	$ 20,000	-

On August 30, 2017, the Company signed a purchase agreement to acquire 100% ownership of additional claims expanding the West Madsen gold project. Following this acquisition, the West Madsen project has expanded to 2,725 hectares and is now directly contiguous with Pure Gold Mining Inc.'s Madsen property, with the Company's project now coming within 2.2. kilometers of active exploration by Pure Gold at the Starratt Olsen Mine.

Under the terms of the Agreement, the Company must issue 100,000 shares and pay a total of $74,000 to the project vendor, a private individual, in order to acquire a 100% interest in three minerals claims, according to the following schedule:

a) $12,000 cash within 7 business days of signing (paid);
b) 100,000 Shares within 7 business days of receiving approval of the Exchange for the issuance of the Shares (issued);
c) $12,000 on or before the first anniversary;
d) $14,000 on or before the second anniversary;
e) $16,000 on or before the third anniversary; and
f) $20,000 on or before the fourth anniversary

Total remaining payments under the Agreement are $124,000 over four years plus payment of 100,000 common shares of the Company.

On August 30, 2017, the Company also announced that it is purchasing all Net Smelter Royalties on the West Madsen project for payment of 200,000.

Subsequent to the period ended September 30, 2017:

On November 14, 2017, the Company announced the results of a high resolution airborne magnetic survey completed by the Company in October, and gold exploration results from the West Madsen properties. The

Company reported that the gold samples collected at West Madsen occur within prominent geophysically-defined extensions of the gold-hosting geology at Pure Gold Mining Inc.'s Madsen property that also continue onto the Company's claims.

The survey confirmed that each of the three sub-parallel magnetic trends that cross the Company's West Madsen Block A, host gold mineralization, with samples returning between 0.90 g/t gold and 2.0 g/t gold. The survey results at West Madsen Block B were reported to show two primary Gold targets: 1) a prominent northeast to southwest magnetic linear, and 2) strong evidence of large-scale folding, which is critical to grade enrichments at the Company's Dixie Lake property. Although the Company has not yet prospected West Madsen Block B, the results of the geophysical survey have provided two target areas for follow-up explorations, focused on the fold hinge area and along the main magnetic linear. The Company announced that both Madsen Blocks will be further explored in spring 2018, after conclusion of a winter drill campaign at the Dixie Lake project.

CORPORATE

On December 31, 2016, Mr. Tony Ricci resigned from the position of Chief Financial Officer ("CFO") due to other commitments but remains on the board as a director. Effective January 1, 2017, Mr. Robert Scott replaced Mr. Ricci as the Company's CFO.

SELECTED FINANCIAL INFORMATION

For the years ended December 31, 2016, 2015, and 2014 ($):

	2016	**2015**	**2014**
Total assets	1,938,539	970,808	1,119,788
Total liabilities	475,570	418,161	363,840
Write down of resource properties	69,172	9,773	6,054,257
Other income (loss)	17,075	1,122	9,261
Net loss for the year	(663,788)	(328,023)	(6,478,219)
Loss per share	(0.09)	(0.075)	(1.74)

By recent eight quarters ($):

	Other income (loss)	Net loss	Loss per share
September 30, 2017	-	(138,534)	(0.01)
June 30, 2017	48	(114,021)	(0.01)
March 31, 2017	1,151	(91,514)	(0.01)
December 31, 2016	17,000	(178,149)	(0.01)
September 30, 2016	-	(306,014)	(0.04)
June 30, 2016	75	(135,089)	(0.03)
March 31, 2016	-	(61,611)	(0.015)
December 31, 2015	(2,325)	(110,153)	(0.02)

Other income of $17,000 during the quarter ended December 31, 2016 was relating to an amount owing to a director that was forgiven. The net loss for the quarter ended September 30, 2016 was higher, compared to the same period of the previous year, mainly due to the non-cash share-based compensation relating to the options granted during the period. The net loss for the quarter ended June 30, 2016 was due to the ongoing costs of the business and an impairment of Lac Pau Property.

RESULTS OF OPERATIONS

Nine months ended September 30, 2017 and Three months ended September 30, 2017

For the nine months ended September 30, 2017, operating expenses totaled $345,268 (2016 - $502,713) and net loss was $344,069 (2016 - $502,638).

For the three months ended September 30, 2017, operating expenses totaled $138,534 (2016 - $306,014) and net loss was $138,534 (2016 - $306,014).

Other than the increase in consulting fees, professional fees, and travel, promotion and shareholder information during the period, and the impairment of exploration and evaluation assets and the share-based compensation recognized in the prior period, the overall net loss for the three months and nine months ended September 30, 2017 was about the same compared to the same period of the previous year, and was primarily due to the ongoing costs of the business. Consulting fees increased due to more number of consultants involved during the period. Travel, promotion and shareholder information increased due to marketing during the period.

LIQUIDITY AND CAPITAL RESOURCES

The Company's working capital was $537,121 as at September 30, 2017 (December 31, 2016 - $407,623). The Company's approach to managing liquidity risk is to ensure that it will have sufficient funds to meet liabilities when due. At September 30, 2017, the Company had cash of $525,211 (December 31, 2016 - $765,976) to settle current liabilities of $396,114 (December 31, 2016 - $475,570). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

RISKS AND UNCERTAINTIES

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits, which, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations of metal prices, the proximity and capacity of milling facilities, mineral markets, processing reagents and equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environment protection, the combination of which factors may result in the Company not receiving an adequate return on investment capital. Please refer to the MD&A for the year ended December 31, 2016 for more details discussion of such risk factors.

OUTSTANDING SHARE DATA

Issued and outstanding common shares:

	Number	Amount
Balance as at December 31, 2015	4,329,000	$ 14,110,162
Shares issued for resource properties, net of share issue costs	60,000	10,000
Shares issued in private placement, net of share issue costs	7,805,966	901,339
Balance as at December 31, 2016	12,194,966	$ 15,021,501
Shares issued for resource properties	100,000	18,500
Balance as at June 30, 2017	12,294,966	$ 15,040,001
Shares issued for resource properties	300,000	105,000
Shares issued for warrant exercises	621,032	192,445
Shares issued in private placement, net of share issue costs	1,680,000	296,061
Balances as at September 30, 2017 and as at the date of this MD&A	14,895,998	$ 15,633,507

On June 1, 2016, the Company retrospectively consolidated its share capital on the basis of one post consolidated common share for every five pre-consolidated common shares held.

On July 18, 2016, the Company completed a non-brokered private placement and issued a total of 3,005,966 units at a price of $0.15 per unit for gross proceeds of $450,895. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to acquire an additional common share at a price of $0.20 per share for a three-year period. The common share purchase warrants will be subject to acceleration at the Company's discretion in the event the Company's common shares trade in a volume-weighted average price basis of $0.30 per share for a period of 10 consecutive trading days.

On September 16, 2016, the Company completed a non-brokered private placement and issued a total of 4,800,000 units at a price of $0.20 per unit for gross proceeds of $960,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to acquire an additional common share at $0.27 for a two-year period. The share purchase warrants will be subject to acceleration at the Company's discretion in the event the Company's common shares trade on a volume-weighted average price basis of $0.40 per share for a period of 10 consecutive trading days.

On August 4, 2017, the Company completed a non-brokered private placement and issued a total of 1,680,000 units at a price of $0.25 per unit for gross proceeds of $420,000. Each unit consists of one common share and one half of one share purchase warrant. Each warrant entitles the holder to acquire an additional common share for $0.35 for a two-year period. The share purchase warrants will be subject to acceleration at the Company's discretion in the event the Company's common shares trade on a volume–weighted average price basis of $0.45 per share for a period of 10 consecutive trading days.

STOCK OPTIONS

The Company has adopted an incentive stock option plan (the "Option Plan") dated September 30, 2010 which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with TSX-V requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Included in the Option Plan are provisions that provide that the number of common shares reserved for issuance will not exceed 10% of the then issued and outstanding common shares of the Company. At the discretion of the Board of Directors of the Company, options granted under the Option Plan can have a maximum exercise term of 10 years from the date of grant. Vesting terms are determined at the time of grant by the Board of Directors.

As at the date of this MD&A, the following stock options are outstanding and exercisable:

Options Outstanding	Options Exercisable	Exercise price	Weighted Average Remaining Life (in years)	Expiry date
145,000	145,000	$ 0.75	0.85	September 25, 2018
16,000	16,000	$ 0.75	1.33	March 18, 2019
1,000,000	1,000,000	$ 0.23	3.79	September 1, 2021
40,000	40,000	$ 0.24	3.88	October 5, 2021
1,201,000	**1,201,000**		**3.41**	

Subsequent to the period ended September 30, 2017:

On October 11, 2017, the Company reported that it granted an aggregate of 210,000 stock options to officers, directors, advisors and consultants of the Company, exercisable at $0.36 per share for a period of five years. The options are subject to a four-month hold.

WARRANTS

As at the date of this MD&A, the following warrants are outstanding and exercisable:

Warrants Outstanding	Warrants Exercisable	Exercise price	Remaining Contractual Life (in years)	Expiry date
600,000	600,000	$ 0.50	0.85	September 25, 2018
159,400	159,400	$ 0.40	0.81	September 8, 2018
2,629,634	2,629,634	$ 0.20	1.67	July 18, 2019
4,662,500	4,662,500	$ 0.27	0.83	September 16, 2018
840,000	840,000	$ 0.35	1.71	August 4, 2019
8,891,534	**8,891,534**		**1.16**	

On August 23, 2017, the Company announced the extension of the terms of certain warrants exercisable at $0.40. A total of 252,500 Warrants are exercisable until September 8, 2017 (the "Expiry Date"), each exercisable into one common share of the Company at an exercise price of $0.40 per common share. These Warrants represent share purchase warrants previously issued by the Company under a private placement announced June 1, 2015. The extension would extend the terms of the warrants to September 8, 2018. The TSX Venture Exchange has consented to the extension of the expiry of these warrants.

COMMITMENTS

a) Plan of Arrangement - Madalena Ventures Inc.

In March of 2006, the Company entered into an agreement with Madalena Ventures Inc. ("Madalena"), a public company listed on TSX Venture Exchange, in which Madalena agreed to distribute its mineral exploration business and certain marketable securities associated with the business to the Company. Each shareholder of Madalena received one-fifteenth of a common share of the Company for each common share of Madalena owned by such shareholder at August 22, 2006. The Company assumed all of Madalena's obligations in respect to a dividend in specie declared by Madalena on November 15, 2004, which was payable in the form of Planet Mining Exploration Inc. ("Planet") shares. The remaining 962,861 Planet shares and the dividend obligation that were transferred to the Company as part of the Arrangement are not included in the Company's balance sheet as the shares are held trust by the Company for shareholders of Madelena at the declaration date. As at December 31, 2015, the Company held 962,861 Planet shares for distribution.

The dividend entitlement still exists, but will ultimately expire pursuant to the provisions of the Unclaimed Property Act (B.C.), after which any unclaimed Planet shares (or any cash realized from their disposition prior to then) will become the property of the Company. As these Planet shares are held in a trust account for distribution to eligible shareholders, the shares have been derecognized from the Company's balance sheet.

b) Lease

During the year ended December 31, 2014, the Company signed a lease agreement, and then sublet the premises effective July 1, 2016 to the end of the lease term, February 29, 2020.

RELATED PARTY TRANSACTIONS

Amounts paid and accrued to directors, officers and companies in which directors and officers are shareholders and employees during the year then ended are as follows:

	September 30, 2017	September 30, 2016
Management and consulting fees	**$ 50,800**	$ 51,456
Property investigation	**2,950**	-
Geological fees capitalized to resource properties	**78,600**	21,300
Share-based compensation	**-**	150,325
Director fees	**12,000**	-
	$ 144,350	$ 223,081

As at September 30, 2017, $11,501 (December 31, 2016 - $42,725) is payable to various officers and directors of the Company.

During the nine months ended September 30, 2017, the Company paid $27,744 (2016 - $Nil) to a company controlled by an officer of the Company for rent and office expenses reimbursement.

OFF- BALANCE SHEET TRANSACTIONS

The Company has not entered into any off-balance sheet arrangements.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, investments in equity instruments, receivables, and accounts payable and accrued liabilities.

The Company is exposed in varying degrees to a variety of financial instrument related to risks. The Board approves and monitors the risk management processes:

Credit Risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash and receivables. The Company maintains its cash with high-credit quality financial institutions, thus limiting its exposure to credit risk on such financial assets.

As at September 30, 2017, the Company's receivables consist of $26,534 (December 31, 2016 - $26,561) from Canada Revenue Agency. Receivables from third parties and related parties are periodically reviewed by management. Currently, there is no indication that the above amounts are not collectible.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company maintains sufficient cash balances to meet current working capital requirements. The Company is considered to be in the exploration and evaluation stage. Thus, it is dependent on obtaining regular financings in order to continue its exploration and evaluation programs. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings. The Company's cash are available on demand for the Company's programs, and are not invested in any asset backed commercial paper.

Interest Rate Risk

The Company's exposure to interest rate risk arises from the interest rate impact on its cash. The Company's practice has been to invest cash at floating rates of interest, in cash equivalents, in order to maintain liquidity, while achieving a satisfactory return for shareholders. There is minimal risk that the Company would recognize any loss as a result of a decrease in the fair value of any guaranteed bank investment certificates included in cash, and restricted cash as they are generally held with large financial institutions.

Price Risk

Investments in equity instruments, classified as at fair available-for-sale financial assets, are listed on public stock exchanges, including TSX-V and OTC-QB. Recently, the markets have experienced extreme volatility. Therefore, sensitivity analysis is performed using 15%. For such investments, a 15% increase in equity prices as at September 30, 2017 would have increased investments in equity instruments by $31,200. An equal change in the opposite direction would have had the equal but opposite effect on the amounts shown above.

CAPITAL MANAGEMENT

The Company manages its capital to safeguard the Company's ability to continue as a going concern, so that it can continue to provide adequate returns to shareholders and benefits to other stakeholders, and to have sufficient funds on hand for business opportunities as they arise.

The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through short-form prospectuses, private placements, sell assets, incur debt, or return capital to shareholders. There were no changes in the Company's approach to capital management during the year. In the management of capital, the Company includes the components of shareholders' equity, as well as cash.

As at September 30, 2017, the Company is not subject to externally imposed capital requirements.

DISCLOSURE CONTROLS AND PROCEDURES

Management has assessed the effectiveness of the Company's disclosure controls and procedures used for the consolidated financial statements and MD&A as at September 30, 2017. Management has concluded that the disclosure controls are effective in ensuring that all material information required to be filed has been made known to them in a timely manner. The required information was effectively recorded, processed, summarized and reported within the time period necessary to prepare the filings. The disclosure controls and procedures are effective in ensuring that information required to be disclosed pursuant to applicable securities laws are accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

The Company's management, including its CEO and CFO, believe that any disclosure controls and procedures and internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override to the future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

There have been no changes in the Company's internal controls over financial reporting during the quarter ended September 30, 2017 that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

Additional disclosures pertaining to the Company's material change reports, press releases and other information are available on the SEDAR website at **www.sedar.com**.