Copper One Inc.

(An Exploration Stage Company)

Management's Discussion and Analysis

Year ended December 31, 2016

Introduction

The following Management's Discussion and Analysis ("MD&A") of financial results and related data of Copper One Inc. ("Copper One" or the "Company") is intended to complement and supplement the audited Consolidated Financial Statements of Copper One. for the years ended December 31, 2016 and 2015 (the "Financial Statements") and should be read in conjunction with the Financial Statements. The Company's Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Except as otherwise disclosed, all dollar figures in this report are stated in Canadian dollars. Additional information relevant to the Company can be found on the SEDAR website at www.sedar.com.

The commentary is current to April 21, 2017 unless otherwise indicated. References to the 1st, 2nd, 3rd and 4th quarters of 2016 or Q1-2016, Q2-2016, Q3-2016 and Q4-2016, and the 1st, 2nd, 3rd and 4th quarters of 2015 or Q1-2015, Q2-2015, Q3-2015 and Q4-2015 mean the three months ended March 31, June 30, September 30 and December 31, 2016 and 2015 respectively. The reader should be aware that historical results are not necessarily indicative of future performance. The Company is a reporting issuer in the Provinces of Alberta, British Columbia and Ontario. The Company's common shares commenced trading on the TSX Venture Exchange ("TSXV") on November 16, 2009 under the symbol "CUO" and prior to that, traded on the Canadian National Stock Exchange.

Kevin Wells, B.Sc., P. Geo., is a "Qualified Person" as such term is defined under National Instrument 43-101 guidelines, and has reviewed and approved the scientific and technical information in this MD&A.

Cautionary Note Regarding Forward Looking Statements

Except for statements of historical fact relating to Copper One, certain information contained herein constitutes forward-looking information under Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the Company's proposed acquisitions and strategy, development potential and timetable of the Company's properties; the Company's ability to raise required funds; future mineral prices; mineralization projections; conclusions of economic evaluation; the timing and amount of estimated future exploration and development; costs of development; capital expenditures; success of exploration activities; mining or processing issues; currency exchange rates; government regulation of mining operations; and environmental risks. Generally, forward-looking statements can be identified by the use of forward-looking terminology 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 are based on the opinions and estimates of management as of the date such statements are made. Estimates regarding the anticipated timing, amount and cost of exploration activities are based on previous industry experience and regional political and economic stability. Capital and operating cost estimates are based on extensive research of the Company, recent estimates of exploration costs and other factors that are set out herein. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements, including but not limited to risks related to: unexpected events and delays during exploration and development; First Nations risks; litigation risks; acquisition risks; regulatory risks; revocation of government approvals; timing and availability of external financing on acceptable terms; actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of minerals; accidents, labour disputes and other risks of the mining industry. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such 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 does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.

Description of Business

The Company is in the process of exploring and evaluating mineral property interests in Quebec, Canada. The Company owns 100% of the 60,000 hectare project area referred to as the Rivière Doré property, which covers an 85 kilometer long newly discovered layered mafic intrusive complex located southeast of the town of Val-d'Or, Quebec.

Company Outlook and Recent Developments

The management of Copper One is focused on the development of its primary assets in the Province of Quebec, namely its flagship project, the Rivière Dore project.

The Rivière Doré property had been under suspension since July 4, 2011 as a result of discussions between the Company, government officials and the Algonquin Community of Barriere Lake in relation to the property.

On June 29, 2016, the Company announced that it had received a written notification from the Quebec Ministry of Energy and Natural Resources ("MERN") that all claims under suspension on the Company's Rivière Doré project had been lifted. The notice also stated that pursuant to the claims, the Company had a right of access to the land under the claims, had the right to conduct any and all exploration work deemed appropriate, and all the claims had been extended by an additional two years.

On November 14, 2016, the Company announced its first drilling program to be conducted on its 100%-owned copper-rich Rivière Doré property, located 150 kilometres southeast of the prolific mining district of Val d'Or, Quebec. The Company designed an initial 2,000 metre drilling program. The Company submitted its applications for the requisite permits to the appropriate Government of Quebec ministries on October 10, 2016. A contract was awarded to Orbit Garant Drilling Inc. ("Orbit Garant"), based in Val d'Or. The Company has hired appropriate qualified personnel to undertake the program and completed all preparations for the program. Preparation includes selection of an assay laboratory; protocols for sampling, field operations and environment; selection of contactors for snow clearance, and road and drill site preparation; installation of core racks for long term storage of drilled core; vehicle rentals; and selection of personnel and equipment for construction of a suitable field camp. The planning was based on road access via Route 29E, a gravel road which crosses the project area and which provides access to an extensive network of forestry roads constructed over the last 4 years for forestry activity. The Company has also planned and scheduled an alternative approach to the initial plan. The alternative plan would entail helicopter supported drilling and would not require a field camp or any road access to drill locations. Either of these approaches are fully budgeted and financed.

On January 27, 2017, MERN issued a press release announcing its intention to suspend all the Rivière Doré claims of Copper One in the Lac Barrière area near Val-d'Or, Quebec. MERN's proposed suspension of the Company's claims appears to be a response to a press conference held by members of the Algonquins of Barrière Lake who denounced the *Mining Act* (Quebec) as illegal and unconstitutional.

On February 9, 2017, the Company received notification from MERN suspending all the Company's mining claims related to its Rivière Doré Project. MERN is basing their suspension decision on section 63 of the *Mining Act* (Quebec).

On February 21, 2017, the Company filed an appeal with the Court of Québec against the decision of MERN to suspend all of the Company's mining claims related to its Rivière Doré Project. The Company strongly disagrees with MERN's decision to suspend its claims and will continue to exercise its legal rights.

Highlights

On January 11, 2016, the Company completed a shares for debt settlement with various creditors and issued 3,900,000 common shares at a deemed price of $0.05 per common share and extinguished $195,000 in debt owed to such creditors.

On August 4, 2016, the Company closed the first tranche of a brokered private placement financing comprising 17,084,801 units at a price of $0.13 per unit for gross proceeds of $2,221,024 (the "First Tranche"). Each unit was comprised of one common share and one common share purchase warrant. Each warrant entitles the holder thereof to acquire one common share of the Company at an exercise price of $0.20 per share for a period of 24 months from the date of closing of the First Tranche. In connection with the First Tranche, the Company paid Delano Capital Corp. (the "Agent"), the agent for the First Tranche, a cash amount equal to 7% of the gross proceeds from certain subscribers of the First Tranche and issued 849,987 compensation options (the "Broker Options") to the Agent. Each Broker Option is exercisable at a price of $0.13 into one common share of the Company and one warrant (a "Broker Warrant") for a period of 24 months following the closing date of the First Tranche. Each Broker Warrant entitles the holder to acquire one additional common share of the Company at a price of $0.20 for a period of 24 months following the closing date of the First Tranche. Directors and officers of the Company subscribed to 3,172,308 units of the First Tranche.

On August 17, 2016, the Company closed the second tranche of a brokered private placement financing comprising 1,650,000 units at a price of $0.13 per unit for gross proceeds of $214,500 (the "Second Tranche"). Each unit was comprised of one common share and one common share purchase warrant. Each warrant entitles the holder thereof to acquire one common share of the Company at an exercise price of $0.20 per share for a period of 24 months from the date of closing of the Second Tranche. In connection with the Second Tranche, the Company paid the Agent an amount equal to 7% of the proceeds from certain subscribers of the Second Tranche and issued 115,500 Broker Options. Each Broker Option is exercisable at a price of $0.13 into one common share of the Company and one Broker Warrant for a period of 24 months following the closing date of the Second Tranche. Each whole Broker Warrant entitles the holder to acquire one additional common share of the Company at a price of $0.20 for a period of 24 months following the closing date of the Second Tranche.

On August 19, 2016, the Company entered into a settlement agreement with a creditor to settle an aggregate of $611,250 of debt in consideration for the issuance of an aggregate of 4,701,923 common shares of the Company at a deemed price of $0.13 per common share (the "Shares for Debt Settlement"). The Shares for Debt Settlement received approval from TSXV and the shares were issued on October 11, 2016.

Summarized Financial Results

Selected Annual Financial Information

The table below provides a summary of selected annual financial information for the years ended December 31, 2016, 2015 and 2014:

(Expressed in Canadian dollars $)	December 31, 2016	December 31, 2015	December 31, 2014
Net (loss) from continuing operations	(761,314)	(1,134,824)	(2,039,175)
Net (loss) for the year	(761,314)	(1,134,824)	(2,039,175)
Per share - basic and diluted loss	(0.04)	(0.17)	(0.30)
Total Assets	2,221,232	952,785	1,295,528
Working Capital [1)]	1,224,100	(1,358,080)	(362,075)

[1)] See Non-GAAP measures.

Selected Quarterly Financial Information

Expressed in Canadian dollars$	31-Dec-16	30-Sep-16	30-Jun-16	31-Mar-16	31-Dec-15	30-Sep-15	30-Jun-15	30-Mar-15
Net (loss) income	(664,643)	74,971	(91,957)	(79,685)	(361,558)	(282,011)	(212,455)	(278,800)
(Loss) income per share - basic and diluted (from continuing operatons)*	(0.02)	0.00	(0.01)	(0.01)	(0.05)	(0.04)	(0.03)	(0.04)
Total assets	2,221,232	2,492,813	1,017,982	971,836	952,785	1,116,643	1,165,389	1,173,107
Long term financial liabilities	-	-	-	-	-	-	-	-

* Effective October 23, 2015, the Company consolidated its common shares on the basis of one new common share for every ten common shares outstanding. All references to common shares, per share amounts, warrants and options for all periods presented have been retroactively restated to reflect this consolidation

Liquidity and Capital Resources

The Company does not have any operating assets that generate revenues. The Company incurred a net loss from its continuing operations of $761,314 for the year ended December 31, 2016 (December 31, 2015 - $1,134,824) and used net cash of $1,066,180 in its operating activities (December 31, 2015 - $169,145).

The Company has a need for financing for working capital. As a result of continuing operating losses, the Company's continuance as a going concern is dependent upon its ability to obtain adequate financing and to reach profitable levels of operation.

Working Capital

As at December 31, 2016, the Company had a working capital (see Non-GAAP measures) of $1,224,100 (December 31, 2015 – net working capital deficiency of $1,358,080).

Carrying Value of Balance Sheet Items

The Company holds investments that include 2,250,000 common shares of Cornerstone Metals Inc. recorded at a fair value of $78,750 at December 31, 2016 (December 31, 2015 - $11,250). This investment is classified as held-for-trading.

Total accounts payable as at December 31, 2016 were $131,755 (December 31, 2015 - $1,455,869).

Cash Flows

Cash Flows for the three months ended December 31, 2016 and 2015

(Expressed in Canadian dollar $)	For the quarter ended December 31, 2016	For the quarter ended December 31, 2015
Cash (used in) provided by operating activities	$ (272,809)	$ (5,984)
Cash (used in) financing activities	(7,247)	-
Cash (used in) investing activities	(10,585)	-
(Decrease) in cash and cash equivalents	$ (290,641)	$ (5,984)

Cash of $272,809 was used in operating activities during the three months ended December 31, 2016 compared to $5,984 used in operating activities during the three months ended December 31, 2015. The increase in operating cash flow was mainly due to change in working capital items. See Non-GAAP measures. Cash of $10,585 was used in equipment purchase and $7,247 was used in share issuance costs.

Cash Flows for the years ended December 31, 2016 and 2015

(Expressed in Canadian dollar $)	For the years ended December 31, 2016	For the years ended December 31, 2015
Cash (used in) operating activities	$ (1,066,180)	$ (169,145)
Cash provided by financing activities	2,228,435	-
Cash (used in) investing activities	(10,585)	-
Increase (decrease) in cash and cash equivalents	$ 1,151,670	$ (169,145)

Cash of $1,066,180 was used in operating activities during the year ended December 31, 2016 compared to $169,145 used in operating activities during the year ended December 31, 2015. The increase in operating cash flow was mainly due to change in working capital items resulting from higher operating expenses, which was offset by government assistance of $31,377 received in February 2016. See Non-GAAP measures. Cash of $2,228,435 was provided by the proceeds of the First Tranche and the Second Tranche financings net of issuance costs.

Results of Operations

For the three months ended December 31, 2016 and 2015

Operating expenses	For the three months ended December 31, 2016	For the three months ended December 31, 2015
Management and consulting fees	$ 94,131	$ 165,221
Share-based payments	358,189	-
Directors' fees	-	23,333
Office and rent	19,440	20,751
Investor relations	16,292	7,253
Travel and promotion	853	-
Accounting and legal	15,162	(15,675)
Regulatory and transfer agent	2,509	5,376
Exploration and evaluation expense	147,151	-
Amortization	204	-
Bad debt	-	19,599
Foreign exchange (gain)	(538)	(27)
Total operating expenses	653,393	225,831
(Loss) before other (expenses)	(653,393)	(225,831)
Other income (expenses)		
Impairment of exploration and evaluation properties	-	(135,729)
Unrealized (loss) on held for trading marketable securities	(11,250)	-
Interest income	-	2
Net (loss) and comprehensive (loss) for the period	$ (664,643)	$ (361,558)

The Company recorded a net loss and comprehensive loss of $664,643 during the three months ended December 31, 2016 compared to a net loss and comprehensive loss of $361,558 during the same period of 2015. The net loss and comprehensive loss during three months ended December 31, 2016 was resulted primarily from the share-based payments, increased exploration and evaluation expenses, unrealized loss on held for trading marketable securities and the remainder of the operating expenses. The net loss and comprehensive loss during the same period in 2015 was resulted primarily from the impairment of exploration and evaluation properties, management and consulting fees and the remainder of the operating expenses.

For the years ended December 31, 2016 and 2015

	For the years ended December 31,	
Operating expenses	2016	2015
Management and consulting fees	$ 469,519	$ 637,954
Share-based payments	358,189	3,090
Directors' fees	(188,333)	143,333
Office and rent	36,346	83,737
Investor relations	30,967	50,525
Travel and promotion	853	6,067
Accounting and legal	27,738	20,815
Regulatory and transfer agent	17,193	16,611
Exploration and evaluation expense	115,774	7,500
Amortization	204	-
Bad debt	-	19,599
Foreign exchange (gain)	(636)	(224)
Total operating expenses	867,814	989,007
Loss before other income (expenses)	(867,814)	(989,007)
Other income (expenses)		
Gain on debt settlement	39,000	-
Impairment of exploration and evaluation properties	-	(135,729)
Unrealized gain (loss) on held for trading marketable securities	67,500	(11,250)
Interest income	-	1,162
Net (loss) and comprehensive(loss) for the year	$ (761,314)	$ (1,134,824)

The Company recorded a net loss and comprehensive loss of $761,314 during the year ended December 31, 2016 compared to a net loss and comprehensive loss of $1,134,824 during the same period of 2015. The net loss and comprehensive loss during the year ended December 31, 2016 was resulted primarily from management and consulting fees, share-based payments, exploration and evaluation expenses, office and rent and investor relations offset by write off of directors’ fees, gain on debt settlement and unrealized gain on held for trading marketing securities. The net loss and comprehensive loss during the same period in 2015 was resulted primarily from management and consulting fees, directors’ fees accrued, office and rent expenses, investor relations, impairment of exploration and evaluation properties, and unrealized loss on held for trading marketing securities.

Exploration and evaluation (recovery) expenses:

	Years ended December 31, 2016	2015
Consulting	$ 100,533	$ 7,500
Government assistance	(31,377)	-
Legal	29,529	-
Travel & accomodation	7,803	-
Claims & maintenance	340	-
Field office and supplies	6,223	-
Truck rental	2,723	-
Total	$ 115,774	$ 7,500

Exploration and Evaluation Expenditures

The exploration and evaluation assets of the Company are comprised as follows:

	Rivière Doré $	Queylus $	Total $
Balance, December 31, 2014	854,996	135,729	990,725
Impairment (b)	-	(135,729)	(135,729)
Balance, December 31, 2015 and 2016	854,996	-	854,996

Rivière Doré

On November 30, 2011, the Company signed an agreement with Cartier Resources Inc. ("Cartier") to acquire 100% of the Rivière Doré Copper Nickel property ("Rivière Doré") located southeast of the town of Val D'Or, Quebec. This agreement superseded the agreement signed with Cartier in January 2011. In consideration for a 100% interest in Rivière Doré, the Company paid $150,000 in cash, issued 2,000,000 common shares of the Company, with an estimated fair value of $550,000, and granted a royalty of 1% of the net smelter return in connection with ore extracted from the Rivière Doré property. The Company is also committed to a 2% royalty payment of the net smelter return on 36 of its 1,052 existing claims on the property. This transaction closed on December 15, 2011.

The Company has also agreed to pay to Cartier an amount equal to 2% of the net present value shown in a bankable feasibility study on Rivière Doré, payable in cash in three equal installments over the 18-month period from the commencement of commercial production on the Rivière Doré property.

The Rivière Doré property had been under suspension since July 4, 2011 as a result of discussions between the Company, government officials and the Algonquin Community of Barriere Lake in relation to the property.

On June 29, 2016, the Company announced that it has received a written notification from MERN that effective June 28, 2016 all claims under suspension on the Company's Rivière Doré project had been lifted. The notice also stated that pursuant to the claims the Company has a right of access to the land under the claims, has the right to conduct any and all exploration work deemed appropriate and the claims have been extended by an additional two years.

On November 14, 2016, the Company announced its first drilling program to be conducted on its 100%-owned copper-rich Rivière Doré property, located 150 kilometres southeast of the prolific mining district of Val d'Or, Quebec. The Company designed an initial 2,000 metre drilling program. The Company submitted its applications for the requisite permits to the appropriate Government of Quebec ministries on October 10th, 2016. A contract was awarded to Orbit Garant who is prepared to mobilize its equipment and team as soon as the permits have been granted to the Company.

On January 27, 2017, the MERN issued a press release announcing its intention to suspend all the Rivière Doré claims of Copper One in the Lac Barrière area near Val-d'Or, Quebec. MERN's proposed suspension of the Company's claims appears to be a response to a press conference held by members of the Algonquins of Barrière Lake who denounced the *Mining Act* (Quebec) as illegal and unconstitutional.

On February 9, 2017, the Company received a decision from MERN suspending all of Copper One's mining claims related to its Rivière Doré Project. MERN is basing their suspension decision on section 63 of the *Mining Act* (Quebec).

On February 21, 2017, the Company filed an appeal with the Court of Québec against the decision of the MERN issued on February 8, 2017 to suspend all of Copper One's mining claims related to its Rivière Doré Project. Copper One strongly disagrees with MERN's decision to suspend its claims and will continue to exercise its legal rights.

Queylus

In 2015, the Company decided to let the Queylus claims lapse and no longer holds an interest in the property.

Financial Commitments and Contractual Obligations

Summary of contractual obligations at December 31, 2016 is detailed in the table below.

Contractual Obligations	Payments (Receipts) Due by Period		
	Total	Less than 1 Year	1 – 3 Years
Minimum commitment under management contracts (i)	$ 251,000	$ 251,000	$ -
Total	**$251,000**	**$251,000**	**$0**

(i) The Company is party to certain management contracts. These contracts contain clauses requiring additional payments of up to approximately $807,000 be made upon the occurrence of certain events such as a change of control. As a triggering event has not taken place, the contingent payments have not been reflected in these consolidated financial statements. Additional minimum management contract commitments remaining under these contracts approximate $251,000 due within one year.

The Company's exploration and evaluation activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Transactions with Related Parties

During the years ended December 31, 2016 and 2015, the Company entered into the following transactions in the ordinary course of business with related parties from accounting perspective that are not subsidiaries of the Company.

	Purchase of goods and services Years ended December 31, 2016	Purchase of goods and services Years ended December 31, 2015
Forbes & Manhattan, Inc.	$ 210,000	$ 300,000
QMX Gold Corporation	22,931	-

Mr. Stan Bharti is the Executive Chairman of Forbes & Manhattan ("Forbes"). The Company is part of the Forbes Group of Companies and continues to receive the benefits of such membership, including access to mining professionals, advice from Mr. Bharti, and strategic advice from the Forbes Board of Advisors. An administration fee of $10,000 per month (January 2015 to June 2016 - $25,000 per month) is charged by Forbes pursuant to a consulting agreement. As at December 31, 2016, the Company had a payable balance of $Nil (December 31, 2015 - $536,750) with Forbes. Such amounts are unsecured, non-interest bearing, with no fixed terms of payment or due on demand.

The Company shares its office space with QMX Gold Corporation ("QMX") located in Val-d'Or. During the year ended December 31, 2016, $22,931 was charged by QMX to the Company for rent and consulting expenses (2015 - $Nil). As at December 31, 2016 the Company had a payable balance of $13,861 (December 31, 2015 - $Nil) with QMX. Such amounts are unsecured, non-interest bearing, with no fixed terms of payment or due on demand. Deborah Battiston, an officer of the Company, is an officer of QMX.

The Company shares its office space with other companies who may have common officers or directors. The costs associated with this space, including the provision of office equipment and supplies, are administered by 2227929 Ontario Inc., to whom the Company pays a monthly fee. 2227929 Ontario Inc. does not have any officers or directors in common with the Company.

On January 11, 2016, the Company entered into a shares for debt agreement with Forbes to settle $95,000 of debt through the issuance of 1,900,000 common shares of the Company at a deemed price of $0.05 per share.

On January 11, 2016, the Company entered into a shares for debt agreement with 2227929 Ontario Inc. wherein $100,000 worth of debt was settled through the issuance of 2,000,000 common shares at a deemed price per share of $0.05.

On August 19, 2016, the Company entered into a settlement agreement with Forbes to settle $611,250 of debt through the issuance of 4,701,923 common shares of the Company at a deemed price of $0.13 per share. These shares were issued on October 11, 2016. Forbes became a 19% security holder of the Company upon the issuance of shares for debt settlement.

Officers and directors of the Company participated in the August 4, 2016 private placement financing and subscribed for an aggregate of 3,172,308 units of the Company. A corporation with directors and officers in common with the Company subscribed for 846,154 units and 2227929 Ontario Inc. subscribed for 1,030,969 units.

On October 11, 2016, the Company granted 1,583,800 stock options to directors and officers of the Company at an exercise price of $0.19 for a period of 5 years from the date of grant.

The Company owns 2,250,000 common shares of Cornerstone Metal Inc. Paul Cowley, a former director of the Company, is a director and officer of Cornerstone Metal Inc. Subsequent to the end of the year, Paul Cowley resigned to be a director of the Company.

Compensation of Key Management, Directors and Officers

The remuneration of directors and other members of key management personnel during the years ended December 31, 2016 and 2015 were as follows:

	Years ended December 31, 2016	Years ended December 31, 2015
Short-term benefits	$ 214,500	$ 353,333
Share-based payments	291,102	3,090

At December 31, 2016, the Company had $nil (December 31, 2015 - $454,458) owing to its current and former key management, directors and officers. Such amounts are unsecured, non-interest bearing, with no fixed terms of payment or due on demand.

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including directors (executive and non-executive) of the Company.

All of the above transactions have been in the normal course of operations and have been recorded at their exchange amount, which are actual amounts spent by the transacting parties.

Corporate Update

On July 14, 2016, the Company announced the appointment of Paul Pint to its board of directors. Mr. Pint is the President of Sulliden Mining Capital Inc. and has over 20 years of capital markets experience. Mr. Pint began his capital markets career on the institutional equity team at a large Canadian financial institution. Over his career, he has held a number of senior positions at various financial institutions and boutique investment banks in Canada. Mr. Pint is a Chartered Professional Accountant and holds a Bachelor of Commerce degree from the University of Toronto.

On August 17, 2016, the Company announced the appointment of Damian Lopez as the Corporate Secretary of the Company. Mr. Lopez is a corporate securities lawyer who works as a legal consultant to various TSX and TSX Venture listed companies. Mr. Lopez previously worked as a securities lawyer at a large Toronto corporate law firm. He obtained his JD degree from Osgoode Hall and received a Bachelor of Commerce from the University of Toronto.

On January 31, 2017, Paul Cowley resigned from the board of directors of the Company.

On February 1, 2017, Thomas Olesinski was appointed a director to the board of directors of the Company.

Off Balance Sheet Arrangements

To the best of management's knowledge, there are no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the company.

Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, held for trading investments, accounts receivable, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The carrying values of these financial instruments approximate their fair values due to the short maturity of those instruments. See Note 13 of the Company's audited financial statements.

Outstanding Share Data

As at the date hereof, there were 34,190,109 common shares of the Company outstanding, 19,700,288 warrants outstanding exercisable into 19,700,288 common shares of the Company with a weighted average exercise price of $0.20 per warrant and 2,351,800 stock options outstanding with a weighted average exercise price of $0.28 per option.

Non-GAAP Measures

The MD&A contains the term working capital. The Company believes that, in addition to conventional measures prepared in accordance with GAAP, we and certain investors use this information to evaluate the Company's performance and ability to generate cash, profits and meet financial commitments. These Non-GAAP measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. These non-GAAP measures do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers.

Working Capital

Current assets		December 31, 2016		December 31, 2015
Cash and cash equivalents	$	1,205,519	$	53,849
Marketable securities		78,750		11,250
Receivables		43,621		31,306
Prepaid expenses and deposits		27,965		1,384
Total current assets		1,355,855		97,789
Current liabilities				
Accounts payable and accrued liabilities	$	131,755	$	1,455,869
Total liabilities		131,755		1,455,869
Working capital (current assets less current liabilities)	$	1,224,100	$	(1,358,080)

Net cash (used in) operating activities

(Expressed in Canadian dollars $)	Three months ended December 31,				Years ended December 31,			
		2016		2015		2016		2015
Cash (used in) operating activities before change in working capital items	$	(545,667)	$	(225,829)	$	(721,088)	$	(984,755)
Cash provided by (used in) change in working capital items		272,858		219,845		(345,092)		815,610
Net cash (used in) operating activities	$	(272,809)	$	(5,984)	$	(1,066,180)	$	(169,145)

New and future accounting pronouncements

During 2016, the Company adopted a number of new IFRS standards, interpretations, amendments and improvements of existing standards. These included IFRS7, IAS1 and IAS38. These new standards and changes did not have any material impact on the Company's consolidated financial statements.

Accounting pronouncements not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for accounting periods beginning on January 1, 2017 or later. Updates that are not applicable or are not consequential to the Company have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the consolidated financial statements.

IFRS 2 – Share-based Payment ("IFRS 2") was amended by the IASB in June 2016 to clarify the accounting for cash-settled share-based payment transactions that include a performance condition, the classification of share-based payment transactions with net settlement features and the accounting for modifications of share-based payment transactions from cash-settled to equity-settled. The amendments are effective for annual periods beginning on or after January 1, 2018, with earlier application permitted.

IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

IFRIC 22 – Foreign Currency Transactions and Advance Consideration ("IFRIC 22") was issued in December 2016 and addresses foreign currency transactions or parts of transactions where there is consideration that is denominated in a foreign currency; a prepaid asset or deferred income liability is recognised in respect of that consideration, in advance of the recognition of the related asset, expense or income; and the prepaid asset or deferred income liability is non-monetary. The interpretation committee concluded that the date of the transaction, for purposes of determining the exchange rate, is the date of initial recognition of the non-monetary prepaid asset or deferred income liability. IFRIC 22 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

IAS 7 – Statement of Cash Flows ("IAS 7") was amended in January 2016 to clarify that disclosures shall be provided that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments are effective for annual periods beginning on or after January 1, 2017.

IAS 12 – Income Taxes ("IAS 12") was amended in January 2016 to clarify that, among other things, unrealized losses on debt instruments measured at fair value and measured at cost for tax purposes give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use; the carrying amount of an asset does not limit the estimation of probable future taxable profits; and estimates for future taxable profits exclude tax deduction resulting from the reversal of deductible temporary differences. The amendments are effective for annual periods beginning on or after January 1, 2017. Earlier adoption is permitted.

Critical Judgments and Estimation Uncertainties

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reported period. Such estimates and assumptions affect the carrying value of assets, impact decisions as to when exploration and development costs should be capitalized or expensed, and affect estimates for provisions for reclamation costs. Other significant estimates made by the Company include factors affecting valuations of stock-based compensation and the valuation of income tax accounts. The Company regularly reviews its estimates and assumptions, however, actual results could differ from these estimates and these differences could be material. See Note 2 of the Company's Consolidated Financial Statements for years ended December 31, 2016 and 2015 for detail.

Risks and Uncertainties

The Company is engaged in the exploration and development of mineral properties. These activities involve a high degree of risk which, even with a combination of experience, knowledge and careful evaluation, may not be overcome. Consequently, no assurance can be given that commercial quantities of minerals will be successfully found or produced.

Liquidity Concerns and Future Financings

The Company will require significant capital and operating expenditures in connection with the development of its properties. There can be no assurance that the Company will be successful in obtaining required financing as needed. Volatile markets may make it difficult or impossible for the Company to obtain debt financing or equity financing on favorable terms, if at all. Failure to obtain additional financing on a timely basis may cause the Company to postpone or slow down its development plans, forfeit rights in some or all of its properties or reduce or terminate some or all of its activities.

While the Company's financial statements have been prepared on the basis of a going concern which contemplates the realization of assets and satisfaction of liabilities in the normal course of operations, there are conditions and events that may cast doubt about the validity of that assumption.

Nature of Mining, Mineral Exploration and Development Projects

Mining operations generally involve a high degree of risk. The Company's operations are subject to the hazards and risks normally encountered in mineral exploration, development and production, including environmental hazards, explosions, unusual or unexpected geological formations or pressures and periodic interruptions in both production and transportation due to inclement or hazardous weather conditions. Such risks could result in damage to, or destruction of, mineral properties or producing facilities, personal injury, environmental damage, delays in mining, monetary losses and possible legal liability.

The Company's property interests are located in remote, undeveloped areas and the availability of infrastructure such as surface access, skilled labour, fuel and power at an economic cost, cannot be assured. These are integral requirements for exploration, development and production facilities on mineral properties. Power may need to be generated on site.

Mineral exploration is highly speculative in nature. There is no assurance that exploration efforts will be successful. Even when mineralization is discovered, it may take several years until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable mineral reserves through drilling. Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment or expansion of mineral resources or mineral reserves. There is no certainty that the expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries or development of commercial quantities of ore.

Exploration and development projects have no operating history upon which to base estimates of future cash operating costs. For development projects, reserve and resource estimates and estimates of cash operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies, which derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, ground conditions, the configuration of the ore body, expected recovery rates of minerals from the ore, estimated operating costs, anticipated climatic conditions and other factors. As a result, actual production, cash operating costs and economic returns could differ significantly from those estimated. Indeed, there have been a number of mining operations that have ceased or been suspended or delayed because operations costs are greater than projected. Current market conditions are forcing many mining operations to increase capital and operating cost estimates. It is not unusual for new mining operations to experience problems during the start-up phase, and delays in the commencement of production often can occur.

No Revenues

To date, the Company has recorded no revenues from operations and the Company has not commenced commercial production or development on any property. There can be no assurance that significant losses will not occur in the near future or that the Company will be profitable in the future. The Company's operating expenses and capital expenditures may increase in subsequent years in relation to the engagement of consultants, personnel and equipment associated with advancing exploration, development and commercial production of the Company's properties. The Company expects to continue to incur losses for the foreseeable future. The development of the Company's properties will require the commitment of substantial resources to conduct time-consuming exploration. There can be no assurance that the Company will generate any revenues or achieve profitability.

Mineral Resource and Mineral Reserve Estimates May be Inaccurate

There are numerous uncertainties inherent in estimating mineral resources and mineral reserves, including many factors beyond the control of the Company. Such estimates are a subjective process, and the accuracy of any mineral resource or mineral reserve estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. These amounts are estimates only and the actual level of mineral recovery from such deposits may be different. Differences between management's assumptions, including economic assumptions such as metal prices and market conditions, could have a material adverse effect on the Company's financial position and results of operations.

Licenses and Permits, Laws and Regulations

The Company's exploration and development activities, including mine, mill, road, rail and other transportation facilities, require permits and approvals from various government authorities, and are subject to extensive federal, provincial, state and local laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health and safety, mine safety and other matters. Such laws and regulations are subject to change, can become more stringent and compliance can therefore become more costly. In addition, the Company may be required to compensate those suffering loss or damage by reason of its activities. There can be no guarantee that the Company will be able to maintain or obtain all necessary licenses, permits and approvals that may be required to explore and develop its properties, commence construction or operation of mining facilities.

First Nations

First Nations in the Province of Quebec are increasingly making lands and rights claims in respect of existing and prospective resource projects on lands asserted to be First Nation traditional or treaty lands.

Should a First Nation make such a claim in respect of the Rivière Dore project and should such claim be resolved by government or the courts in favour of the First Nation, it could materially adversely affect the business of the Company. In addition, consultation issues relating to First Nation interests and rights may impact the Company's ability to pursue exploration, development and mining at its projects and could results in costs and delays or materially restrict the Company's activities. Mining licenses and their renewals may be affected by land and resource rights negotiated as part of any settlement agreements entered into by governments with First Nations. The Algonquins of Barrière Lake have denounced the *Mining Act* (Quebec) as illegal and unconstitutional and have threat and has opposed mining activity at the the Rivière Dore project.

Mineral Commodity Prices

The profitability of the Company's operations will be dependent upon the market price of mineral iron ore. Iron ore prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, the world supply of iron ore and the stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The price of iron ore has fluctuated widely in recent years, and future price declines could cause commercial production to be impracticable, thereby having a materially adverse effect on the Company's business, financial condition and result of operations.

Environmental

The Company's activities are subject to extensive federal, provincial, state and local laws and regulations governing environmental protection and employee health and safety. Environmental legislation is evolving in a manner that is creating stricter standards, while enforcement, fines and penalties for non-compliance are also increasingly stringent. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. Further, any failure by the Company to comply fully with all applicable laws and regulations could have significant adverse effects on the Company, including the suspension or cessation of operations.

Title to Properties

The acquisition of title to resource properties is a very detailed and time-consuming process. The Company holds its interest in certain of its properties through mining claims. Title to, and the area of, the mining claims may be disputed. There is no guarantee that such title will not be challenged or impaired. There may be challenges to the title of the properties in which the Company may have an interest, which, if successful, could result in the loss or reduction of the Company's interest in the properties.

The Rivière Doré project is located southeast of the town Val-d'Or, Quebec, Canada. Canadian law related to aboriginal rights, including aboriginal title rights, is in a period of change. There is a risk that future changes to the law may adversely affect the Company's rights to its Canadian projects, including the Rivière Doré project. Consultation with First Nations is required of the Company in environmental assessment, subsequent permitting, development and operation of its proposed projects. There is a risk that the First Nations may publicly oppose the proposed project at any stage and this potential opposition may adversely affect the project or the Company, including the Company's public image. The Company may incur significant costs in connection with any opposition by First Nations or other groups to the Company's development activities and operations at its projects. The Algonquins of Barrière Lake have denounced the *Mining Act* (Quebec) as illegal and unconstitutional and has opposed mining activity at the Rivière Dore project.

Litigation

The Company is subject to litigation risks. All industries, including the mining industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Company is or may become subject could have a material effect on its financial position, results of operations or the Company's mining and project development operations. On February 21, 2017, the Company filed an appeal with the Court of Québec against the decision of the MERN to suspend all of the Company's mining claims related to its Rivière Doré project. The Company strongly disagrees with MERN's decision to suspend its claims and will continue to exercise its legal rights.

Uninsured Risks

The Company maintains insurance to cover normal business risks. In the course of exploration and development of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including explosions, rock bursts, cave-ins, fire and earthquakes may occur. It is not always possible to fully insure against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could result in significant liabilities to the Company and increase projected costs.

Competition

The Company competes with many other mining companies that have substantially greater resources than the Company. Such competition may result in the Company being unable to acquire desired properties, recruit or retain qualified employees or acquire the capital necessary to fund its operations and develop its properties. The Company's inability to compete with other mining companies for these resources would have a material adverse effect on the Company's results of operation and business.

Dependence on Outside Parties

The Company has relied upon consultants, engineers and others, and intends to rely on these parties for development, construction and operating expertise. Substantial expenditures are required to establish mineral reserves through drilling, to carry out environmental and social impact assessments, to develop metallurgical processes to extract the metal from the ore. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on the Company.

Share Price Fluctuations

The market price of securities of many companies, particularly exploration stage companies, experience wide fluctuations in price that are not necessarily related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that fluctuations in the Company's share price will not occur.

Conflicts of Interest

Certain of the Company's directors and officers serve or may agree to serve as directors or officers of other companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting such participation.

Current Management

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

Subsequent event

See Company Outlook and Recent Development section.

Subsequent to December 31, 2016, 25,000 options with an exercise price of $3.50 expired unexercised.

Additional Information

Additional information about the Company is available for viewing on SEDAR at www.sedar.com.