



Management's Discussion and Analysis

Year Ended Report – June 30, 2017

(Expressed in Canadian dollars, unless otherwise noted)

Following is a discussion and analysis of the activities, results of operations and financial condition of Sunvest Minerals Corp. ("Company") for the year ended June 30, 2017 compared to the year ended June 30, 2016. The discussion should be read in conjunction with the audited consolidated financial statements of the Corporation for the year ended June 30, 2017 and the notes thereto. The Corporation's financial statements and financial data set out below have been prepared by management in accordance with International Financial Reporting Standards applicable to the annual financial statements. Unless otherwise denoted, all amounts discussed herein are denominated in Canadian dollars.

Additional information relating to the Corporation is also available on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

The effective date of this report is October 26, 2017.

OVERVIEW

The Company was incorporated on January 8, 2008, pursuant to the *Business Corporations Act* (British Columbia), the Company's trading symbol is SSS on the TSX Venture Exchange ("TSX-V").

The Company's principal business is the exploration and pursuit of multiple mineral properties in Canada and United States.

HIGHLIGHTS – YEAR ENDED JUNE 30, 2017

- On April 13, 2017, Bruce Durham was appointed as part of the advisory board.
- On October 18, 2016, Don McKinnon was appointed as a director of the Company.
- On September 19, 2016, Mike England was appointed as CEO of the Company.
- On September 14, 2016, John Masters was appointed CFO of the Company.
- On September 12, 2016, Victor Bradley was appointed as Chairman of the board.
- On August 12, 2016, Mike England was appointed as director of the Company
- On July 14, 2016, John Masters was appointed as director of the Company. The Company also granted, subject to TSX-V acceptance, incentive stock options to its directors, officers and consultants to purchase 600,000 common shares at a price of \$0.12 for a period of two years.

MINERAL PROPERTIES

McKinnon-Hawkins Gold Project

On September 15, 2016 the Company acquired an option to earn a 100% interest in the McKinnon-Hawkins Gold Project located in the Hawkins and Walls Townships, Sault Ste. Marie & Porcupine Mining Divisions, Ontario from Pavey Ark Minerals Inc. (“Pavey Ark”), a private Ontario company. The project covers three claim blocks comprising 364 units or 5,824 hectares (58.24 sq km) covering over 30 kilometers of favourable geology prospective to host gold mineralization.

The cumulative acquisition terms to acquire a 100% interest in the McKinnon-Hawkins Gold Property are cash payments of \$1,000,000, the issuance of \$1,000,000 worth of shares of the Company plus incur expenditures of \$2,000,000 over a four year period. A 0.5% to 2% Net Smelter Royalty will be granted to the vendor on various claims contained in this agreement.

On November 10, 2016, the Company reported recently received surface sample results from the Goldfields Prospect on the McKinnon-Hawkins Gold Project, located in Hawkins and Walls Townships, Ontario. The sampling was completed to verify previous (2015) sampling by the vendor of the property (NR 2016- 09-07). Two known zones of mineralization were chip channel sampled, with the south zone returning 18.46 grams per tonne gold (g/t Au) over 2.5 meters (five 0.5 metre samples), and the northern zone returning 15.58 g/t Au over 1.5 meters (three 0.5 meter samples). The Goldfields Prospect is located on the western portion of the McKinnon-Hawkins Gold Project.

The recently acquired McKinnon-Hawkins Gold Project has Inferred Resources of 4,957,000 tonnes at 1.50 g/t Au (239,100 ounces of contained gold) at a cut-off grade of 0.5 g/t Au, as prepared by Eugene Puritch, P.Eng., President of P&E, an independent “Qualified Person”, for the purposes of NI 43-101. The Goldfields prospect is located approximately 6 kilometers southwest of the western extent of the inferred resource area.

The outcrop site sampled had previously been channel sampled in 2015 using a portable gas powered diamond rock saw. The current samples were obtained by sampling the channel edges, over the same 0.5 meter intervals. All samples were taken by Company personnel, and tables of all samples will be posted on the Company’s website. The host rock is very strongly silicified, folded and foliated amphibolite. The visible mineralization at the Goldfield prospect comprises finely disseminated pyrite-pyrrhotite associated with a steep, west-plunging structure. In weathered exposure, the mineralization is illustrated by a weak to moderate oxidation of the host rock. In the area of the surface samples, previous exploration has included five, southeasterly trending, shallow drill holes (1989). Only one of these holes returned significant values (HK89-01, 5,01 g/t Au over 1.7 meters, from a depth of 15.3 meters). The lack of geological understanding of the intensely folded and subtle nature of the mineralization warrants additional investigation.

During the site visit, Company personnel also visited the surface features comprising trenches, drill hole collar locations and mineralized outcrops of the Main Zone that hosts the inferred resources, which extends in an east-west direction, over a strike length of 3.7 kilometers. The Company has filed a 43-101 technical report supporting the mineral resource estimate with the regulatory agencies for approval. Once approved, the technical report will be accessible on the company’s website.

On January 27, 2017, the Company announced crews were mobilizing at the McKinnon-Hawkins Gold Project located in Hawkins and Walls townships, Ontario.

On February 28, 2017, the Company announced drilling was underway at the McKinnon-Hawkins Gold Project located in Hawkins and Walls townships, Ontario. To date five holes had been completed and drilling continues with a break expected the first week of March. Drilling was expected to resume in mid-March and continue up to spring breakup.

On April 11, 2017, the Company announced an update on the drilling program on the McKinnon-Hawkins Gold Project located in Hawkins and Walls townships, Ontario. To date thirteen (13) drill holes had been completed, comprising 1,624. 4 meters. Drilling had been paused for spring break-up and was expected to resume in May. To date, complete results had only been received for four (4) holes with assays pending on the remaining nine holes.

Most significantly, a new zone has been intersected in two holes located in the Hanging Wall to the north of the Main Zone. The McKinnon-Hawkins Project Main Zone has a National Instrument 43-101 resource estimate of 239,100 ounces of gold (4,957,000 tonnes at 1.50 grams per tonne gold (g/t Au), at a cut-off grade of 0.5 g/t Au).

The new zone, designated as the “Taylor Extension”, located 70 to 90 meters north of the Main Zone, appears to parallel the approximately east-west strike of the Main Zone, and is open along strike, and at depth. The Taylor Extension represents a broad new mineralized environment and, if as continuous as the Main Zone, has potential to add significant resources for the project.

On May 2, 2017, the Company announced an update on results from the winter diamond drill program (13 holes 1624 metres, PR April 11, 2017) on the McKinnon-Hawkins Gold Project located in Hawkins and Walls townships, Ontario. Hole HW-17-13 returned an intersection from 63.0 meters averaging 1.38 grams of gold per tonne (g/t Au) over 23.0 metres, including grades of 2.89, 4.12 and 11.2 g/t Au over one meter intervals.

The new zone, the Taylor Extension, is open along strike and at depth indicating a broad new mineralized environment parallel and approximately 100 metres north of the Main Zone. The Main Zone is a continuous mineralized trend and if the Taylor Extension zone is similar it could add significantly to the resource potential of the project.

The Taylor Extension Zone has now been intersected over a 300 meter strike length (from Section 715,750 north to Section 716,050 East), trending approximately east-west, located in the Hanging Wall (north of), of the Main Zone. The McKinnon-Hawkins project Main Zone has a National Instrument 43-101 resource estimate of 239,100 ounces of gold (4,957,000 tonnes at 1.50 grams per tonne gold (g/t Au), at a cut-off grade of 0.5 g/t Au).

Company CEO Mike England commented, "With a wider (23.0 meter) and higher grade interval, the new Taylor Extension Zone is a significant development for the McKinnon-Hawkins Project. Assays are still pending and further drilling, prospecting and trenching will be directed at defining this new target immediately."

Hole HW-17-13 is located on Section 715,750 East, approximately 250 meters west of Hole HW--17-06 that intersected 1.19 g/t Au over 10 meters from 67.0 meters (including 2.28 g/t Au over 3.0 meters) (PR April 11, 2017). This zone is interpreted as the Taylor Extension. The large step out was completed to take advantage of the frozen conditions allowing testing of a swampy low area on the projected strike. The 250 meter intervening area will be evaluated for potential trenching and sampling followed by drilling, once weather permits.

Hole HW-17-13 was drilled due north, at -50° dip for a total depth of 118.0 metres. Drilling on both sections are with single holes to the north, so the dip of the new mineralized zone is unknown, but if it is similar to the Main Zone (steeply, near-vertical dip), then both intersections could represent an estimated true widths of 85 - 90 % of the drill intersections.

Exploration work will recommence shortly, subject to weather conditions. The drill rig remains on the property. In addition to recommencing drilling, the Company is proposing to expand the baseline to the east from Section 716,050 East, to cover the Culbert-Dubroy Showing, approximately 4.0 kilometers due east. Historic sampling from the Culbert-Dubroy Showing, reported in assessment files (42B13NE0210-1988), ranged from 0.013 to 25.75 g/t Au (six surface grab sample 0.013, 0.24, 3.67, 7.75, 24.51 and 25.75 g/t Au). Prospecting, trenching, sampling and geological mapping will be conducted on the Culbert-Dubroy showing area, the interval between the prospects and the Taylor Extension drill intercepts.

On June 15, 2017, the Company announced results of samples taken on an initial visit to the historic Culbert Dubroy prospect, on the McKinnon-Hawkins Gold Project located in Hawkins and Walls townships, Ontario.

Highlights

- Current limited sampling confirms high gold values at the historic Culbert-Dubroy prospect
- Interpreted extension over 4 kilometers east of the recently drilled Taylor discovery and Main zone
- Compilation of historic data and new data revealing impressive 8 kilometer strike length including the Main Zone resource

- Gold enriched region covered with overburden now ready for work programs utilizing current technology

An initial site visit to the historic Culbert-Dubroy prospect was undertaken to examine sites, along trend with the Taylor Extension and Main zones, previously documented to contain significant gold values. The highest gold values were received from Sample No. 1138124, which returned a peak value of 33.3 grams of gold per tonne (g/t Au), comprising a grab sample of quartz veining hosted in highly altered mafic/felsic metavolcanics, metamorphosed to biotite, hornblende schists or amphibolites.

The Culbert-Dubroy prospect is located approximately 4.0 kilometers due east of the eastern-most drill hole of the Taylor Extension Zone and the Hawkins Main Zone, which hosts a National Instrument 43-101 resource estimate of 239,100 ounces of gold (4,957,000 tonnes at 1.50 g/t Au, at a cut-off grade of 0.5 g/t Au). The entire 4.0 kilometers strike length between the Taylor showing and the recently rediscovered Culbert-Dubroy area, is projected to be underlain by similar favorable geology and is interpreted to be high prospective for gold mineralization.

Three of eleven samples returned values greater than 3.00 g/t Au (3,350, 13,800, and 33,500 ppb Au). Another sample returned 1.68 g/t Au. In total 11 samples were taken (5, 10, 16, 21, 44, 59, 1,680, 3,530, 13,800 and 33,500 ppb Au). The sampling and prospecting was completed during a brief, reconnaissance site visit to the area of historic trenching and stripping of overburden, that has not been reported to have been worked since 1988. Samples were submitted for fire assay to Act Labs Ltd. (Actlabs Group), Timmins.

Company CEO Mike England commented, "These results from the Culbert-Dubroy prospect show higher grade (33.3 g/t Au) gold values from grab samples and indicate the entire 4,000 meter strike length represents an excellent target to locate additional gold mineralization. There are no known drill hole results between the Taylor/Main Zones and the Culbert-Dubroy showing. Further drilling, prospecting and trenching along with modern geophysical techniques will be directed at defining the new drill targets."

Evening Star Property, Nevada, USA

On November 23, 2016, the Company entered into an option agreement to earn a 100% interest in the Evening Star Property. The cumulative acquisition terms to acquire an 80% interest in the Evening Star Property are cumulative cash payments of US \$195,000 (\$45,000 paid), the issuance of 550,000 shares of the Company over three years to one party, and cash payments of US \$45,000 by June 4, 2018 and 200,000 shares over a three year period to an underlying second party.

The Company has a second option to increase its interest by a further 20% (to 100%) by paying the first party US \$200,000 and issuing 500,000 shares, and paying the second party US \$250,000, over an additional 24 month period.

The Net Smelter Royalty ("NSR") of 0.5 % will be granted to the first party. An additional 2% NSR will be granted to the second party, of which 1% can be purchased for cancellation at the Company's option for US \$500,000, and the remaining 1% NSR can be purchased for cancellation for US \$1,000,000, for a period of five years commencing after the exercise of the second option.

The property is located 12 kilometers southeast of Hawthorne, Nevada in the prolific Walker Lane Structural Zone of the west-central part of the state (see PR dated December 1, 2016). The Evening Star Property comprises 13 core claims and 30 newly located claims, totally 820 acres (323 ha). The property covers two historic, formerly producing mines, the Evening Star mine and the Gold Bug mine.

Company geologists will be performing a second site visit January 15th and will be joined by Hrayr Agnerian, P.Geo. of Ontario who was the geologist on the project in 1970 when a drill hole intersected, near the Gold Bug mine area, a wide zone of lead, zinc and silver mineralization, with minor copper values over 169.0 metres (554.5 feet) had a weighted average of 93.2 grams per tonne silver (2.72 ounces per ton silver), 3.29 per cent lead, 1.45 per cent zinc and 0.22 per cent copper.

Past exploration works consisted in partial geological mapping, rock sampling and the drilling of one diamond drill hole, in which two intercepts were reported:

- From 48.5 meters (159 feet) returned 6.1 m (20 ft.) averaging 408 g/t Ag (11.9 oz/t Ag), 14.88 % Pb, 4.70 % Zn and 0.16 % Cu;

- A second intercept from 76.8 meters (252 feet) returned 18.6 meters (61.0 ft.) averaging 277.8 g/t Ag (8.10 oz/t Ag), 9.73 % Pb, 5.36 % Zn and 0.27% Cu.

Surface samples collected in 2002 by the previous owners, Consolidated Goldfield Ltd (“CGF”), also identified several gold anomalies ranging up to 11.31 g/t Au gold (0.33 oz/t) from the historic Evening Star mine area 2.

The principal exploration targets are the extensions of the replacement gold zones of the Evening Star deposit, along its northeast strike and southeast plunge and the contact metamorphic calc-silicate skarn located in the northern portion of the claim block.

The Evening Star Mine shows a similar geological context as La Panta Mine located about 1.6 km to the west and is known as a replacement or manto type deposit where free gold is contained in irregular masses of siliceous ferruginous locally jasperoidal gossan material forming replacement bodies in limestone. The Gold Bug Mine is a skarn type deposit where copper mineralization occurs along the contact between quartz monzonite and limestone. The property is readily accessible by well-maintained dirt roads, south for approximately 9 kilometers from U.S. Highway 95. Despite the mining history that dates from the early 1900’s, the property has seen little modern exploration.

The reader is cautioned that these historic drill-hole results (1968) were completed prior to the implementation of National Instrument 43-101, and must be considered only as a historic reference. Neither the Company nor its qualified persons have done sufficient work to verify this historic drill hole. Additional work including surface geophysics, drilling and borehole geophysics may need to be completed to verify the mineralization presented in this historic drill hole.

“We believe the Evening Star Property represents an excellent early stage exploration project with potential for significant gold, silver, lead, zinc and copper mineralization, in an attractive, favourable pro-active mining jurisdiction. The Evening Star property has excellent logistics and can readily be worked year round. A preliminary work program is planned for the 1st quarter of 2017 to define drill targets,” stated Mike England, President of the Company.

On June 22, 2017, the Company reported significant developments resulting in the commencement of a maiden diamond drill program, on the Evening Star Property, located 12 kilometers southeast of Hawthorne, Nevada. The Evening Star Property comprises 43 claims covering 820 acres (323 ha) in the prolific Walker Lane Structural Zone of the west-central part of the state.

Recent developments include:

- The Notice of Work permit was recently received from the Bureau of Land Management (BLM), and a reclamation bond has been posted, and a diamond drilling program has commenced;
- The initial target is focused on the semi-massive to massive sulphide (zinc-lead-silver) mineralization that does not outcrop, but was intersected in a 1970 diamond drill hole with significant intercepts of 6.1 meters (“m”) averaging 408 grams per tonne silver (11.88 ounces per ton silver), 14.88 per cent lead, 4.7 per cent zinc and 0.16 per cent copper, from a depth of 48.3 m, and a second intercept of 18.6 m, averaging 277.8 grams per tonne silver (8.10 ounces per ton silver), 9.73 per cent lead, 5.36 per cent zinc and 0.27 per cent copper, (see press release dated Dec. 1, 2016).
- The Company has recently purchased a data package on the Evening Star Property, which has assisted the geological interpretation. Included in this package was a complete report by H. G. Agnerian on the 1970 diamond drill program. Also included was a geological map and cross sections (with assays) completed by Phelps Dodge Mining Co., (“Phelps Dodge”) in 1991, on the property.
- Copper was the primary focus of the Phelps Dodge program, with most drill holes directed at the copper oxide mineralization on the Gold Bug target, however hole 91-4 intersected 12.2 m interval averaging 1.75 % copper. This hole plots higher than the 1970 drill hole, and is interpreted to represent the upper extent of the semi-massive to massive sulphide target. Hole 91-4 also averaged 0.45 grams per tonne gold over a width of 7.6 m, from a depth of 21.3 m. This represents the first indication of gold values in this target, as the 1970 core was not assayed for gold.

The reader is cautioned that these historic results were completed prior to the implementation of National Instrument 43-101, and must be considered only as a historic reference, and should not be relied upon. Neither the Company nor its qualified persons have done sufficient work to classify or verify this historic drill hole.

“With the receipt of our drill permit and the information from the recently acquired data package, Sunvest has moved quickly to mobilize a diamond drill program to test targets on the Evening Star Property. The Evening Star Property has excellent logistics and can readily be worked year-round.” stated Mike England, President of the Company.

On July 25, 2017, the Company reported significant drill intercepts from hole 17-02 on the Evening Star Property, located 12 kilometers southeast of Hawthorne, Nevada. Core intercepts returned values up to 7.45 percentage (%) copper (Cu), 1.81 grams per tonne gold (g/t Au), and 138.0 g/t silver (Ag). The Evening Star Property is located approximately 3.2 km north-east of Newrange Gold Corp’s recent drill activity on the Merritt zone and Merritt decline area on the Pamlico property. Recent staking activity in the area by Newrange may have made the properties contiguous.

Hole ES 17-02 was an angled (-45°) diamond drill hole, drilled due west in the Gold Bug area of the Evening Star Property. From the collar, hole 2 returned 17.5 ft. (5.3 meters) averaging 0.84 g/t Au, 105.3 g/t Ag, 5.09 % Cu, 0.09 % lead (Pb) and 0.86% zinc (Zn). The table below summarizes the sampling and results:

From	To	Interval (ft)	g/t Au	g/t Ag	ppm Cu	% Cu	ppm Pb	ppm Zn	% Zn
0.0	5.0	5.0	1.815	113.0	>10000	1.08	1280	1240	0.124
5.0	11.0	6.0	0.219	105.0	>10000	7.45	542	3870	0.387
11.0	16.0	5.0	0.743	88.0	>10000	6.99	1135	>10000	1.56
16.0	17.5	1.5	0.409	138.0	>10000	2.64	101	>10000	2.86
Weighed Av.		17.5	0.841	105.3		5.09	884.49		0.86
17.5	21.0	3.5	0.034	1.7	1100	0.11	17	1800	0.18
21.0	24.7	3.7	0.026	0.9	127		4	298	
not sampled from 24.7 to 136.0 ft									

Due to time constraints with the drilling contractor, only two short holes were completed, at this time. Hole ES 17-01 was an angled (-45°) hole drilled in a northwest direction, to a depth of 367.3 ft. (112.0 meters), and intercepted anomalous copper from 32.3 to 41.7 ft., 1,924 ppm Cu over 9.4 ft., and from 56.7 to 66.5 ft., 1,887 ppm Cu over 9.8 ft.

Hole ES-17-02 described above was drilled to 362.0 ft. (110.3 meters).

During the drill program, Company personnel located a drill collar in the field believed to represent hole 91-4 drilled by Phelps Dodge. This drill hole from 65 ft. (19.8 m) intersected 40 ft. (12.2 m) averaging 1.75 % copper. Drill hole 91-4 also averaged 0.45 grams per tonne gold over a width of 7.6 m, from a depth of 21.3 m.

“These recent drill results in the Gold Bug area on the Evening Star Property has confirmed significant precious metal (gold and silver) values with the copper and base metals mineralization. A short surface program will begin shortly and we are permitted for additional drilling and expect to recommence drilling on the multiple targets on Evening Star in the fall. The Evening Star Property has excellent logistics and can readily be worked year-round.” stated Mike England, CEO of the Company.

Foster Cobalt Property

On August 3, 2016, the Company acquired an option to acquire the Foster Cobalt property (“Foster Property”), located in the Sudbury Mining District in north central Ontario. The Foster Property comprises three claims with 32 units, covering approximately 512 ha. Near a historic adit on the property, one grab sample, taken by the O.G.S. (Ontario Geological Survey) returned 9.16 % cobalt (Co) and 3.56 % nickel (Ni).

The cumulative acquisition terms to acquire a 100% interest in the Foster Property are cash payments of \$20,000 (paid) and the issuance of 1,500,000 shares (issued) of the Company to arm’s-length parties over a two year period. A

2% Net Smelter Royalty will be granted to the vendors with 1% purchasable by the company for \$1,000,000. A finder's fee was paid in accordance with TSX-V policies.

The technical contents of this release were approved by Isabelle Robillard, MSc, P.Geo a Qualified Person as defined by National Instrument 43-101. The property has not been the subject of a National Instrument 43-101 report.

Roy Mine Cobalt-Silver property

On August 22, 2016, the Company acquired an option to acquire the past producing Roy Mine Cobalt-Silver Property ("Roy Mine Property"), located about 11 km northwest of Elk Lake.

During February 27 2017, the Company signed an option agreement with Battery Mineral Resources Ltd. ("Battery") whereby Battery will have the right to earn an 80% interest in the Company's Roy Mine Property. Cumulative terms of the deal call for Battery to make cash payments of \$150,000 (\$50,000 received), issue 450,000 shares and incur \$500,000 of expenditures over a 3 year period.

The Roy Mine Property is a former producer of silver, cobalt, and copper with mineralization contained in north trending calcite veins. It was discovered in 1912, and past development included three vertical shafts and underground and surface diamond drilling.

More recent works uncovered a vein about 210 m north of the shaft. Fifty-five samples taken along this vein averaged 0.7 oz/t Ag (24.0 g/t Ag), 1.64% Co, 3.22% Cu and 0.16% Ni. Best values obtained were 4.7 oz./t Ag (161.1 g/t Ag), 7.4% Co, 14.02% Cu and 0.55% Ni1 .Also, a grab sample of the vein, collected near the shaft and to the south, assayed up to 6.80 oz/t Ag (233 g/t Ag), 1.96% Co, 13.6% Cu and 1510 ppm Ni2 .

The cumulative acquisition terms to acquire a 100% interest in the Roy Mine Property are the issuance of 1,500,000 shares (issued) of the Company to arm's-length parties over a one year period plus a work commitment of \$50,000 (incurred) in year one. A 2% NSR will be granted to the vendors with 1% purchasable by the Company for \$1,000,000. A finder's fee was paid in accordance with TSX-V policies.

On November 15, 2016, the Company announced the assay results from preliminary sampling during a recent site visit to the Roy Mine Property. Six grab samples were collected from dumps, stripped areas and historic trenches located nearby the main Roy Shaft and submitted to Activation Laboratories Ltd. (Actlabs Group), Timmins, ON for Cobalt (Co), Copper (Cu), Nickel (Ni) and Silver (Ag). Cobalt varied from 0.45 to 7.19% with an average value of 4.01%. Copper varied from 0.014% to 10.20%, with an average value of 4.00% (see table below).

Lab #	Easting	Northing	Co %	Cu %	Ni %	Ag g/t
1133053	540110	5292165	4.07	6.26	0.287	34.0
1133054	541081	5291909	7.19	3.99	0.731	71.0
1133055	540213	5291948	1.52	0.018	0.161	8.0
1133056	540168	5291948	3.7	10.2	0.468	65.0
1133057	540197	5291954	7.15	3.53	0.709	29.0
1133058	540117	5291995	0.454	0.014	0.051	7.0

Grab samples are selectively taken and random in size, and may not accurately represent mineralization characteristic of, or typical to, the property. Company management is very pleased with the assay results on these samples, especially considering that one anomalous Co and Cu sample (1133053) was collected 265 meters north from the Roy shaft, in an area that was poorly investigated in the recent years.

The Company also reported that additional staking had been completed on the Roy Mine Property, increasing the size of the property from 48 ha to 288 ha. The new claims cover several additional historic workings, showings and prospects such as the Little Ottisse shaft. Past exploration works in this area revealed abundant cross fracturing and considerable calcite vein material with cobalt mineralization.

McKinnon Hemlo West Property

On March 27, 2017, the Company announced the acquisition of a strategic mineral property located in the heart of the Hemlo Gold camp. The McKinnon Hemlo West Property ("Hemlo West" or the "Property"), comprises 5 claim blocks covering a total of 24 claim units (384 hectares). The northern portion of the Property is surrounded on the

west, east and north by Barrick Gold, on strike and approximately six kilometers west of Barrick Gold Corporation's current open pit operation.

Company CEO, Mike England states; “We are excited to have acquired this strategic property in the heart of one of the most prolific gold camps in Canada. This new property fits well with the Company’s keystone, McKinnon-Hawkins Gold Project in Ontario, where drilling is ongoing.

The Hemlo West property is readily accessible, traversed by the Trans-Canada Highway, the railroad and a powerline. The northern portion of the Property is cut by the Hemlo Shear Zone (“HMZ”), the major east-west trending structural feature associated with the gold mineralization. The HMZ is a structural component in all three Hemlo gold mines that have produced over 22 million ounces 1985. The northern portion of the Property is on strike ~ 6 kilometers west of Barrick Gold's current open pit operation.

On the Property the HMZ is defined by anomalous gold values in soil of up to 420 parts per billion (ppb) gold. Also, an outcropping exposure of sheared, altered and pyritic mafic-intermediate metavolcanic and Quartz Feldspar Porphyry (QFP) contact zone assayed 1.68 g/t Au and 1.47 g/t Au in areas 17 meters apart (Goldfields Powerline Occurrence). Assessment records indicate six (6) diamond drill holes have been completed on the northern portion of the Property. Assay results reported two gold intersections greater than 1.0 g/t Au in diamond drill core. An additional 17 overburden drill holes have been conducted on the western portion of the Property.

The Hemlo Camp has been heating up over the past year with numerous gold explorers staking and acquiring ground in the proximity of the Barrick Gold's mining operation. A large exploration program by Barrick has extended the mine life once again proving that undiscovered ounces still exist within this historic mining camp. The acquired Property fits into Barrick's "Go West" theme as outlined in their February 2017 Operations and Technical Update . The Company refers the reader to two slides and pages of interest in the following links: ([link here](#), slides 20 and 33; pdf report pages 23 and 36).

The Company is compiling the assessment reports from the Property and plan a site visit followed by a surface exploration program when weather permits. The exploration program will be comprised of prospecting, geological mapping and sampling followed by a drill program.

Cumulative terms to acquire a 100% interest in the property call for the Company to make cash payments \$150,000 (\$20,000 paid) and issue 1,333,329 shares (177,777 issued) over a 3 year period. A 2% NSR will be granted to the vendor with 1% purchasable by the Company for \$1,000,000.

Clone Gold Property

On September 28, 2017, the Company reported that it had signed both a Purchase Agreement (as to 50%) and an Option Agreement (as to 50%) thereby acquiring an aggregate 100% interest in the high-grade gold-cobalt Clone Gold Project (“Clone Property”) situated about 20 kilometers southeast of Stewart in the Golden Triangle region of northwestern British Columbia. Significantly, this represents the first time in 22 years that the iconic project has been controlled by one owner since the initial discovery of gold and cobalt in 1995.

The Clone Property was worked aggressively from 1995 to 1997 by partners, Teuton Resources Corp (“Teuton) and Minvita Enterprise Ltd. (“Minvita”), funded by a major, Homestake Mining Corp., and Murray Pezim’s flagship company, Prime Resources Corp. Activity waned after 1997, but drilling resumed in 2003, with a joint venture to earn 50% with Lateegra Resource Corp.

The Clone Property comprises 4,621 hectares, with a logging road running east up the Marmot River from tidewater in the Portland Canal to a point about 9 km northwest of the property. The main area of interest to date is a roughly a 4 km by 4 km square with much of the southern areas sections only recently exposed by retreating ice. This process of glacial melt, known as ablation, greatly increases the ease with which previously difficult or unreachable ground can now be accessed.

The property lies 16 km southwest of IDM Mining’s development-stage Red Mountain project. It was reconnaissance efforts by Teuton surrounding the Red Mountain discovery that culminated in the discovery of unusual gold and goldcobalt bearing shear structures on the Clone Property.

High-grade gold and gold-cobalt mineralization was discovered by Teuton-Silver Grail prospectors in 1995 within a series of shears exposed over a strike length of 500 meters and a vertical range of 130 meters. Trenching of the shears returned values ranging up to 3.59 oz/ton gold over 5.5m (18 feet). Significant cobalt values were found to accompany gold in the southeast portion of the zone.

MAIN ZONE (H ZONE) TARGET

- Trench Highlights - Trenching of the shears returned values ranging up to 123.1 grams/tonne (g/t) Au over 5.5 meters. Significant cobalt values were found to accompany gold in the southeast portion of the zone
- Drill Highlights - The best drill hole was Hole #110 which contained a 10.0 meter interval averaging 43.9 g/t Au
- Bulk Sample Highlights - In 2010 a bulk sampling program was completed at the high-grade portion of the H- 1 zone. A total of 34 one ton samples were taken from the one-ton lots returned an average grade of 68.65 g/t gold. A larger bulk sample of 102 tons was then taken in 2011 and this averaged 137.1 g/t gold (4.0 oz/ton gold)

SA ZONE TARGET – Parallel to Main Zone

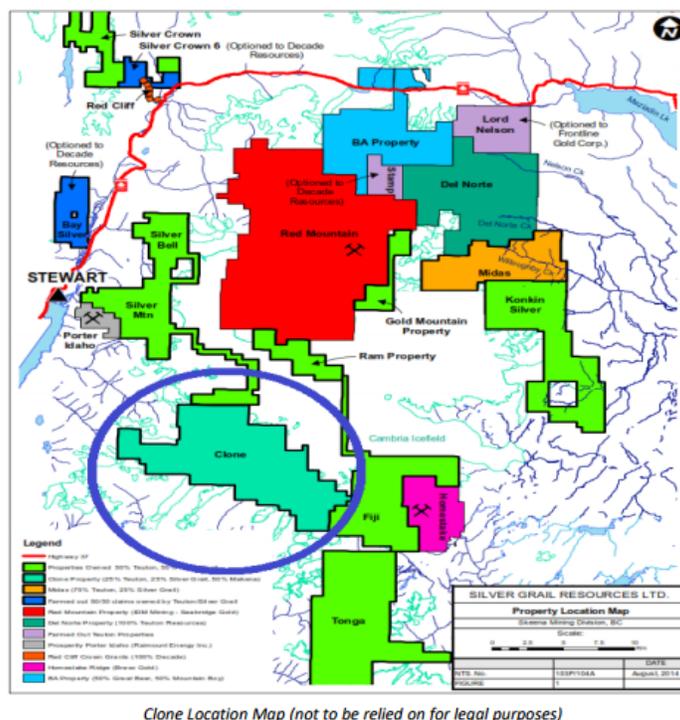
- Trench Highlights – trenching returned 3.0 meters averaging 135.3 g/t Au, with anomalous cobalt values
- Drill Highlights – Hole #18 into the S-2A contained a 6.0 meter intercept grading 52.5 g/t Au and 0.33% cobalt

OTHER TARGETS

- A 1990's IP surveys indicated 13 anomalous areas that have not been tested

“The Clone Property has had fragmented ownership for the past 22 years with no one company controlling more than 50%. With unification of the property under one owner, with partially defined zones to expand, and numerous untested targets, the Clone Property represents a keystone asset for Sunvest. A site visit is planned this fall to review the core in Stewart, followed by compilation and interpretation, directed at an aggressive exploration program in the next field season” stated Mike England, CEO of the Company.

“A very significant Golden Triangle move for Sunvest to add to its holdings at Hemlo in Ontario—both areas of vast resources. These acquisitions are the result of Mike England’s vision and persistence and should add substantial value to Sunvest and its shareholders” said Vic Bradley, Chairman.



Terms

To purchase Makena Resources Inc’s 50% interest in the project, Sunvest will make cumulative share payments of 3,000,000 shares (issued) plus cumulative cash payments of \$300,000 over a 24 month period.

To acquire Teuton Resources Corp./Silver Grail Resources Ltd.’s jointly held 50% interest (for a total 100% interest) in the project, Sunvest will make cumulative share payments of 5,000,000 shares (1,500,000 issued), cash payments of \$200,000 (\$25,000 paid) and incur cumulative expenditures on the property of \$1,950,000.

A 2% NSR over the whole property will be granted to Teuton and Silver Grail, of which the Company can purchase back half for \$1,500,000 at any time.

A finder’s fee will be paid on this transaction in accordance with TSX-V rules.

On October 12, 2017, the Company completed an initial site examination and sampling program at its recently acquired Clone Project located about 20 kilometers southeast of Stewart in the Golden Triangle region of northwestern British Columbia. Company personnel gained access to the property collecting a total of 11 samples, with several samples taken in freshly exposed areas due to the rapidly receding glaciers. Results are pending from these representative samples. A additional larger volume sample was also collected for future metallurgical work, focused on gold and silver recoveries. Additional studies will be conducted on type and recovery of the cobalt mineralization. Company personnel also located and examined the diamond drill core from previous exploration programs.

A further program is now being organized for the coming week to begin refining the analysis and interpretation of core stored in several locations in Stewart from previous drill programs on the Clone Property. Company geologists will conduct selective core logging and re-sampling, and analysis.

The Company is pleased to announce a significant increase in the size of the Clone Property by staking. The property has been increased by 47% and now totals 6,788 ha. The new claims comprise 5 claims and 2,168 ha, and covers two Minfile showings, the Golden Wish prospect and the Glory showing. The Glory showing returned a grab sample from a quartz vein assayed 1.15 per cent copper, 24.2 grams per tonne silver (g/t Ag) and silver and 0.38 g/t gold (Au) (Assessment Report # 24745). The Golden Wish prospect assayed 0.785 g/t Au and 1.6 g/t Ag from a quartz vein in

Lower Jurassic Hazelton Group sediments. Both prospects have seen little work since the late 1990's and both have had significant new outcrops exposed due to receding glaciers (Assessment Report #25327).

“We are pleased to have visited the site and examined the previously drilled core on the Clone Property, and look forward to additional activities in the short term. We have been able to significantly increase the property size, covering two mineralized showings that warrant more work.” stated Mike England, CEO of the Company.

High-grade gold and gold-cobalt mineralization was discovered by Teuton-Silver Grail prospectors in 1995 within a series of shears exposed over a strike length of 500 meters and a vertical range of 130 meters. Trenching of the shears returned values ranging up to 3.59 oz/ton gold over 5.5m (18 feet). Significant cobalt values were found to accompany gold in the southeast portion of the zone.

MAIN ZONE (H ZONE) TARGET

- Trench Highlights - Trenching of the shears returned values ranging up to 123.1 grams/tonne (g/t) Au over 5.5 meters. Significant cobalt values were found to accompany gold in the southeast portion of the zone
- Drill Highlights - The best drill hole was Hole #110 which contained a 10.0 meter interval averaging 43.9 g/t Au
- Bulk Sample Highlights - In 2010 a bulk sampling program was completed at the high-grade portion of the H- 1 zone. A total of 34 one ton samples were taken from the one-ton lots returned an average grade of 68.65 g/t gold. A larger bulk sample of 102 tons was then taken in 2011 and this averaged 137.1 g/t gold (4.0 oz/ton gold)

SA ZONE TARGET – Parallel to Main Zone

- Trench Highlights – trenching returned 3.0 meters averaging 135.3 g/t Au, with anomalous cobalt values
- Drill Highlights – Hole #18 into the S-2A contained a 6.0 meter intercept grading 52.5 g/t Au and 0.33% cobalt

OTHER TARGETS

- A 1990's IP surveys indicated 13 anomalous areas that have not been tested

LIQUIDITY AND CAPITAL RESOURCES

As at June 30, 2017, the Company had cash and cash equivalents of \$140,877 and a working capital of \$236,986 (working capital deficiency of \$121,052 at June 30, 2016). The change is due primarily to proceeds from private placements.

Cash flows used in operating activities was \$1,138,660 as at June 30, 2017 (2016 - \$160,008). It was higher in the current year than the comparative period primarily because of increased operating costs during the current period.

Cash flows provided by financing activities was \$2,028,581 as at June 30, 2017 (2016 – \$180,826). It was higher in the current year primarily due to proceeds from private placements, exercise of options and warrants.

Cash flows used in investing activities was \$807,932 as at June 30, 2017 (2016 – \$154,154). The changes related to exploration activities by the Company for exploration, a metric which has periodic variability.

As at June 30, 2017 and as at the date of this report, the Company had not advanced its mineral properties to commercial production. The Company's continuation as a going concern is dependent not only upon successful results from exploration activities on its mineral properties but also its ability to raise capital and attain profitable operations. In the foreseeable future, the Company will have to rely on the issuance of shares or the exercise of options and warrants or the issuance of debt securities to fund ongoing operations. The ability of the Company to raise capital will depend on market conditions; it may not be possible for the Company to raise capital on acceptable terms or at all.

ANNUAL SELECTED INFORMATION

	For the year ended June 30,		
	2017	2016	2015
Revenue	\$ -	\$ -	\$ -
Finance costs	(3,614)	(58,148)	(38,945)
Impairment of exploration and evaluation	(1,699)	(892,499)	-
Gain (loss) on settlement of accounts payable	9,635	7,990	100,271
Net loss	(1,190,474)	(1,107,154)	(287,441)
Basic/Diluted loss per share	(0.05)	(0.33)	(0.02)
Exploration and evaluation assets	1,179,394	-	738,345
Total assets	1,576,515	72,246	944,284
Total liabilities	152,091	193,298	378,105

Fourth Quarter

During the three months ended June 30, 2017, the Company recorded a net loss of \$1,576,515, compared to net loss of \$72,246 in the three months ended June 30, 2016. The significant items contributing to the loss for the quarter ended June 30, 2017 were \$64,200 (2016 – \$30,000) for consulting fees, \$18,327 (2016 - \$3,155) for general and administration, \$45,043 (2016 - \$9,037) for investor relations and \$45,000 (2016 - \$Nil) for office management services. The increase in net loss between the two periods is primarily due to increase in activities during the current year.

QUARTERLY RESULTS

Quarter Ended	Total Assets	Revenue	(Loss) income for the period	Basic and Diluted (Loss) earnings per share
September 30, 2015	\$928,190	\$Nil	\$ (21,817)	\$ (0.00)
December 31, 2015	932,445	Nil	(45,680)	(0.01)
March 31, 2016	37,021	Nil	(950,271)	(0.30)
June 30, 2016	72,246	Nil	(89,386)	(0.32)
September 30, 2016	827,683	Nil	(255,602)	(0.02)
December 31, 2016	1,752,239	Nil	(415,669)	(0.02)
March 31, 2017	1,461,387	Nil	(346,855)	(0.01)
June 30, 2017	1,576,515	Nil	(172,348)	(0.00)

Year ended June 30, 2017

The Company incurred a net loss of \$1,190,474 for the year ended June 30, 2017, as compared to a net loss of \$1,107,154 for the prior year.

A brief explanation of the significant changes in expense categories is provided below:

- i) Consulting fees of \$342,222 (2016 - \$47,500) increased due to an increased number of consultants during the current year.
- ii) Finance cost of \$3,614 (2016 - \$58,148) decreased due to convertible debts and related interest being fully repaid during the current year.
- iii) General and administration of \$85,315 (2016 - \$6,694) increased due to an increase in activities during the current year.

- iv) Investor relations of \$253,654 (2016 - \$14,450) increased due to expenses incurred to increase exposure of the Company to raise awareness for financing opportunities.
- v) Professional fees of \$76,785 (2016 - \$53,255) increased due to an increase in legal fees related to private placement transactions during the current year.
- vi) Regulatory and filing fees of \$57,220 (2016 - \$28,818) increased due to an increase in filing fees related to private placement transactions during the current year.
- vii) Share-based compensation of \$227,800 (2016 - \$Nil) increased due to stock options being granted during the current year.

SHAREHOLDERS' EQUITY

Common shares

At October 26, 2017, the Company had 36,402,553 common shares outstanding.

The following tables disclose the number of warrants and options outstanding as at the date of this report:

Warrants

Expiry date	Number of warrants outstanding and exercisable	Exercise price
June 15, 2018	170,400	\$ 0.10
June 26, 2018	2,530,000	0.15
June 26, 2018	50,000	0.10
August 18, 2018	5,000,000	0.12
August 18, 2018	165,750	0.07
October 7, 2018	4,727,092	0.25
October 7, 2018	521,063	0.25
October 29, 2020	100,000	0.50
June 15, 2021	6,840,000	0.10
	20,104,305	

Stock options

Number of options	Number of options vested	Exercise Price	Expiry Date
200,000	200,000	\$0.15	06-December-2017
500,000	500,000	0.12	24-February-2018
50,000	50,000	0.12	19-April-2018
150,000	150,000	0.11	5-July-2018
500,000	500,000	0.12	14-July-2018
300,000	300,000	0.10	8-September-2018
250,000	250,000	0.22	16-September-2018
200,000	200,000	0.10	20-September-2018
300,000	300,000	0.10	11-October-2018
100,000	100,000	0.10	23-October-2018
725,000	725,000	0.16	1-November-2018

3,275,000	3,275,000		
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REGULATORY DISCLOSURES

Off-Balance Sheet Arrangements

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

Financial instruments

Fair values of financial instruments

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 Company's financial instruments consist of cash, subscription receivable, accounts payable and accrued liabilities and convertible debentures.

	Fair Value Hierarchy Level	June 30, 2017	June 30, 2016
Financial assets		\$	\$
Cash	1	140,877	58,888

(1) The carrying value of cash, subscription receivable, and accounts payable and accrued liabilities approximates fair value due to the short-term nature of these items.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not consider its exposure to interest rate risk to be significant.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's goal is to have sufficient capital or access to capital to allow it to meet its liabilities when they become due. This goal has not been fully met in recent periods thereby increasing the liquidity risk. As at June 30, 2017, the Company had a working capital of \$236,986 as compared to working capital deficiency of \$121,052 at June 30, 2016. The Company intends to meet its current obligations in the following year with funds to be raised through private placements, shares for debt, loans and related party loans.

Related Party Transactions

The Company's related parties include its subsidiaries, associates over which it exercises significant influence, and key management personnel. Transactions with related parties for goods and services are made on normal commercial terms and are considered to be at arm's length.

During the year ended June 30, 2017 and 2016, the Company incurred the following expenses charged by a legal firm of which one of the partners is a director of the Company, key management personnel and companies controlled by key management personnel:

	June 30, 2017	June 30, 2016
	\$	\$
Consulting fees	137,780	30,000
Professional fees	-	20,000
Office management services	150,000	-
Share-based compensation	150,417	-
	438,197	50,000

Included in accounts payable and accrued liabilities at June 30, 2017 is \$11,665 (June 30, 2016 - \$51,088) owed to current and former officers/directors of the Company, companies owned by former director and officer of the Company and a law firm in which one of the partners is a former director of the Company. As at June 30, 2017, prepaid expenses include prepaid consulting fees of \$21,426 (June 30, 2016 - \$Nil) to a director of the Company.

Capital Risk Management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of shareholders' equity (deficit), as well as cash.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash.

The Company is dependent on the capital markets as its primary source of operating capital and the Company's capital resources are largely determined by the strength of the junior resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects. The Company is not subject to any externally imposed capital requirements. There were no changes in the Company's approach to capital management during the year.

Risk and uncertainties

The operations of the Company are speculative due to the nature of its business which is the investment in the exploration and development of mining properties. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

The list of risk factors below should not be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of its securities.

No History or Expectation of Revenue

The Company is in the business of exploring for, with the ultimate goal of developing and producing, minerals from properties in which the Company has, or may have in the future, an interest. The Company has not commenced commercial production and the Company has no history or earnings or cash flow from its operations. As a result of

the foregoing, there can be no assurance that the Company will be able to develop any of its properties profitably or that its activities will generate positive cash flow. The Company has not paid any dividends and it is unlikely to enjoy earnings or pay dividends in the immediate or foreseeable future. The Company has limited cash and other assets. A prospective investor in the Company must be prepared to rely solely upon the ability, expertise, judgment, discretion, integrity and good faith of the Company's management in all aspects of the development and implementation of the Company's business activities. There is no guarantee that the Company will enter into profitable agreements with mining companies and earn revenue from operations.

Market Price of the Common Shares

The Common Shares are listed and posted for trading on the TSX-V. The Company's business is in an early stage of exploration and an investment in the Company's securities is highly speculative. There can be no assurance that an active trading market in the Company's securities will be established and maintained. Securities of companies involved in the resource industry have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. The price of the Common Shares is also likely to be significantly affected by short-term changes in commodity prices or in the Company's financial condition or results of operations as reflected in its quarterly earnings reports.

Garland Lake Properties

As of the date of this report, the Company has not performed any exploration work on its recently acquired Garland Lake area claims (Garland I, Garland II, Garland III, Notakwanon, *et. al.*) and may not attain access to capital to do so. A failure to complete mineral exploration on the Garland Lake mineral claims will result in their lapsing on the renewal date.

The Company may not realize the benefits of its growth projects

A number of risks and uncertainties are associated with the development of these types of projects, including political, regulatory, design, construction, labour, geological, operating, technical, and technological risks, uncertainties relating to capital and other costs, and financing risks. The failure to develop one or more of these initiatives successfully could have an adverse effect on the Company's financial position and results of operations.

Current Global Financial Conditions

Events over the last number of years in global financial markets, including global debt concerns and overall commodity pressure, have had a profound impact on the global economy and global financial conditions have been subject to volatility. Many industries, and particularly the mining sector, are impacted by these market conditions. Some of the key impacts of the current financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and precious metal markets and a lack of market liquidity. A continuing slowdown in financial markets or other economic conditions, including, but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates, and tax rates may adversely affect the Company's business, financial condition, results of operations and ability to grow.

Financing Risk

The Company is limited in financial resources and has no assurance that additional funding will be available for further exploration and development of its projects or to fulfill its obligations under any applicable agreements. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in delay or infinite postponement of further exploration and development of its projects with the possible loss of such properties. In addition, an inability to raise capital could result in the cessation of operations.

Competition

The mineral exploration and development industry is highly competitive. The Company competes with other domestic and international mineral exploration companies that have greater financial, human and technical resources.

The Company's competitors may be able to respond more quickly to new laws or regulations or emerging technologies, or devote greater resources to the expansion or efficiency of their operations than the Company can. In addition, current and potential competitors may make strategic acquisitions or establish cooperative relationships among themselves or with third parties. Accordingly, it is possible that new competitors or alliances among current and new competitors may emerge and gain significant market share to the Company's detriment. The Company may also encounter increasing competition from other mining companies in the Company's efforts to hire experienced mining professionals. Increased competition could adversely affect the Company's ability to attract necessary capital funding, to acquire it on acceptable terms, or to acquire suitable properties or prospects for mineral exploration in the future. As a result of this competition, the Company may not be able to compete successfully against current and future competitors, and any failure to do so could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

In addition, there is no assurance that a ready market will exist for the sale of commercial quantities of ore. Factors beyond the control of the Company may affect the marketability of any substances discovered. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital or losing its investment capital.

Risks Associated with Joint Venture Agreements

Pursuant to agreements the Company may enter into in the course of its business, the Company's interest in its properties may become subject to the risks normally associated with the conduct of joint ventures. In the event that any of the Company's properties become subject to a joint venture, the existence or occurrence of one or more of the following circumstances and events could have a material adverse impact on the Company's profitability or the viability of its interests held through joint ventures, which could have a material adverse impact on the Company's business prospects, results of operations and financial condition: (i) disagreements with joint venture partners on how to conduct exploration; (ii) inability of joint venture partners to meet their obligations to the joint venture or third parties; and (iii) disputes or litigation between joint venture partners regarding budgets, development activities, reporting requirements and other joint venture matters.

Reliance on Key Individuals

The Company's success depends on its ability to attract and retain the services of key personnel who are qualified and experienced. In particular, the success of the Company is, and will continue to be to a significant extent, dependent on the expertise and experience of the Company's directors and senior management. It is expected that these individuals will be a significant factor in the Company's growth and success. The loss of the service of these individuals could have a material adverse effect on the Company.

The resource industry is largely driven by fluctuations in commodity prices which, when high, can lead to a large number of projects being developed which in turn increases the demand for skilled personnel, contractors, material and supplies. Accordingly, there is a risk to the Company of losing or being unable to secure enough suitable key personnel or key resources and, as a result, being exposed to increased capital and operating costs and delays, which may in turn adversely affect the development of the Company's projects, the results of operations and the Company's financial condition and prospectus.

Commodity Prices

The price of the Common Shares and the Company's financial results may be significantly adversely affected by a decline in the price of metals. The price of metal commodities fluctuates widely, especially in recent years, and is affected by numerous factors beyond the Company's control such as the sale or purchase of commodities by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of major metal-producing countries throughout the world.

Dividend Policy

No dividends on the Common Shares have been paid by the Company to date. The Company anticipates that it will retain all cash resources for the foreseeable future for the operation and development of its business. The Company does not intend to declare or pay any cash dividends in the foreseeable future.

Conflicts of Interest

Certain of the directors and officers of the Company also serve as directors and/or officers of other companies involved in natural resource exploration, development and mining operations and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in the *Business Corporations Act* (British Columbia) and other applicable laws. It is understood by the Company that certain directors and officers of the Company may continue to independently pursue opportunities in the mineral exploration industry.

Exploration, Development and Operating Risks

Mining operations and exploration involves a high degree of risk. Any potential mining operations of the Company will be subject to all the hazards and risks normally encountered in the exploration, development and production of metals, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding, fire, environmental hazards and the discharge of toxic chemicals, explosions and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of mines and other producing facilities, damage to property, injury or loss of life, environmental damage, work stoppages, delays in production, increased production costs and possible legal liability. Milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas which may result in environmental pollution and consequent liability. Although the Company believes that appropriate precautions to minimize risks are taken, these risks cannot be eliminated.

The exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned or other mining operations in which the Company may acquire an interest will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, including among other things: the interpretation of geological data obtained from drill holes and other sampling techniques, the particular attributes of the deposit, such as size, grade and proximity to infrastructure and labor; metal and commodity prices which are highly cyclical; government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection; and political stability. The Company's development projects are also subject to the issuance of necessary permits and other governmental approvals and receipt of adequate financing. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may adversely affect the Company's business.

Exploration Costs

The estimates of costs to conduct further exploration work by the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realized in practice, which may materially and adversely affect the Company's viability.

Environmental Regulation, Risks and Hazards

All phases of mining operations are subject to environmental regulation in the jurisdictions in which they operate. These regulations mandate, among other things, the maintenance of air and water quality standards and land

reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. Compliance with changing environmental laws and regulations may require significant capital outlays, including obtaining additional permits, and may cause material changes or delays in, or the cancellation of, the Company's exploration programs or current operations. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's mining operations.

Furthermore, environmental hazards may exist on the properties on which the owners or operators of mining operations hold interests which are unknown to such owners or operators at present and which have been caused by previous or existing owners or operators of the properties.

Government approvals and permits are currently, and may in the future be, required in connection with mining operations at the Company's properties. To the extent such approvals are required and not obtained, mining operations may be curtailed or prohibited from continuing operations or from proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. The occurrence of any environmental violation or enforcement action may have an adverse impact on the Company's operations and reputation.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on mining operations and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Governmental Regulation

Mining operations and exploration activities are subject to extensive laws and regulations governing exploration, development, production, exports, taxes, labor standards, waste disposal, protection and remediation of the environment, reclamation, historic and cultural resources preservation, mine safety and occupation health, handling, storage and transportation of hazardous substances and other matters. The costs of discovering, evaluating, planning, designing, developing, constructing, operating, and other facilities in compliance with such laws and regulations are significant. It is possible that the costs and delays associated with compliance with such laws and regulations could become such that the owners or operators of mining operations would not proceed with the development of or continue to operate a mine. As part of their normal course operating, and development activities, such owners or operators have expended significant resources, both financial and managerial, to comply with governmental and environmental regulations and permitting requirements, and will continue to do so in the future. Moreover, it is possible that future regulatory developments, such as increasingly strict environmental protection laws, regulations and enforcement policies thereunder, and claims for damages to property and persons resulting from mining operations could result in substantial costs and liabilities in the future.

Permitting

Mining operations are subject to receiving and maintaining permits from appropriate governmental authorities. It can be time-consuming and costly to obtain, maintain and renew permits. In addition, permit terms and conditions can impose restrictions on how the Company conducts its operations and limit the Company's flexibility in development its mineral properties. Prior to any development on the Company's properties, permits from appropriate governmental authorities may be required. Permits required for the Company's operations may not be issued, maintained or renewed in a timely fashion or at all, may not be issued or renewed upon conditions that restrict the Company's ability to conduct the Company's operations economically, or may be subsequently revoke. Any such

failure to obtain, maintain or renew permits, or other permitting delays or conditions could have a material adverse effect on the Company's business, results of operations, financial condition and prospectus.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may be liable for civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect operations at the Company's properties.

Exploration and Geological Report

The reported results in the technical reports filed in respect of the Company's properties are estimates only. No assurance can be given that the estimated mineralization will be recovered. The reported results are based on limited sampling, and, consequently, are uncertain because the samples may not be representative. Estimates may require revision (either up or down) based on actual production experience. If the Company encounters mineralization or geological formations different from those predicted by past drilling, sampling and interpretations, any estimates may need to be altered in a way that could adversely affect the Company's operations or proposed operations. In addition, market fluctuations in the price of metals, as well as increased production costs or reduced recovery rates, may render certain minerals uneconomic.

Land/Mineral Title

No assurances can be given that there are no title defects affecting the Company's properties. The Company's properties may be subject to prior unregistered liens, agreements, transfers or claims, including First Nations land claims, and title may be affected by, among other things, undetected defects.

Commodity Price Fluctuations

The price of metals has fluctuated widely in recent years, and future serious price declines could cause continued development of and commercial production from the Company's properties to be impracticable. Future cash flows may not be sufficient and the Company could be forced to discontinue production and may be forced to sell the properties. Future production by the Company is dependent on metal prices that are adequate to make this property economic.

In addition to adversely affecting the commercial production estimates and financial conditions, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Additional Capital

Mining, processing, development and exploration require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration, development or production or even a loss of property interest. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, will be on satisfactory terms.

Property Exploration and Development Risk

The Company's properties are currently at the exploration stage of development. Exploration and development is subject to numerous risks, including, but not limited to, delays in obtaining equipment, material and services essential to developing the project in a timely manner; changes in environmental or other government regulations; currency exchange rates; labor shortages; and fluctuation in metal prices. There can be no assurance that the Company will have the financial, technical and operational resources to complete the exploration and development in accordance with current expectations or at all.

Insurance Risk

The Company's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failure, cave-ins, mechanical failures, changes in the regulatory environment and natural phenomena such as inclement weather conditions, fires, floods and earthquakes. Such occurrences could result in damage, delays in mining, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers reasonable, the Company's insurance will not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as loss of title to mineral property, environmental pollution, or other hazards as a result of exploration and production is not generally available to the Company or other companies in the mining industry on acceptable terms. The Company may also become subject to liability for pollution or other hazards which may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect on our financial performance and results of operations.

Force Majeure

The Company's projects now or in future may be adversely affected by risks outside the control of the Company, including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

Forward-Looking Statements

This Management's Discussion and Analysis ("MD&A") includes certain statements that constitute "forward-looking statements", and "forward-looking information" within the meaning of applicable securities laws ("forward-looking statements" and "forward-looking information" are collectively referred to as "forward-looking statements", unless otherwise stated). These statements appear in a number of places in this MD&A and include statements regarding our intent, or the beliefs or current expectations of our officers and directors. Such forward-looking statements involve known and unknown risks and uncertainties that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this MD&A, words such as "believe", "anticipate", "estimate", "project", "intend", "expect", "may", "will", "plan", "should", "would", "contemplate", "possible", "attempts", "seeks" and similar expressions are intended to identify these forward-looking statements. Forward-looking statements may relate to the Company's future outlook and anticipated events or results and may include statements regarding the Sask Craton Property and Sask Craton North Property, and the Company's future financial position, business strategy, budgets, litigation, projected costs, financial results, taxes, plans and objectives. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends affecting the financial condition of our business. These forward-looking statements were derived utilizing numerous assumptions regarding expected growth, results of operations, performance and business prospects and opportunities that could cause our actual results to differ materially from those in the forward-looking statements. While the Company considers these assumptions to be reasonable, based on information currently available, they may prove to be incorrect. Accordingly, you are cautioned not to put undue reliance on these forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results. To the extent any forward-looking statements constitute future-oriented financial information or financial outlooks, as those

terms are defined under applicable Canadian securities laws, such statements are being provided to describe the current anticipated potential of the Company and readers are cautioned that these statements may not be appropriate for any other purpose, including investment decisions. Forward-looking statements are based on information available at the time those statements are made and/or management's good faith belief as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. To the extent any forward-looking statements constitute future-oriented financial information or financial outlooks, as those terms are defined under applicable Canadian securities laws, such statements are being provided to describe the current anticipated potential of the Company and readers are cautioned that these statements may not be appropriate for any other purpose, including investment decisions. Forward-looking statements speak only as of the date those statements are made. Except as required by applicable law, we assume no obligation to update or to publicly announce the results of any change to any forward-looking statement contained or incorporated by reference herein to reflect actual results, future events or developments, changes in assumptions or changes in other factors affecting the forward-looking statements. If we update any one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements. You should not place undue importance on forward-looking statements and should not rely upon these statements as of any other date. All forward-looking statements contained in this MD&A and the associated financial statements are expressly qualified in their entirety by this cautionary statement.