

YORKTON VENTURES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For The Year Ended June 30, 2017

The following Management's Discussion and Analysis ("MD&A") of the results of operations and financial condition should be read in conjunction with the audited financial statements of Yorkton Ventures Inc. (the "Company") for the year ended June 30, 2017. The audited financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") on a going concern basis. Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars which is the functional currency of the Company. The effective date of this MD&A is October 30, 2017.

This MD&A may contain forward-looking statements relating to the operations or to the environment in which we operate, which are based on the Company's operations, forecasts, and projections. Forward-looking statements are not guarantees of future performance. They involve risks, uncertainties and assumptions, and actual results may differ materially from those anticipated in these forward-looking statements.

Company Overview

Yorkton Ventures Inc. (the "Company") was incorporated under the Business Corporations Act of British Columbia on August 30, 2006 as Brookbank Mining Corp., and changed its name to Yorkton Ventures Inc. on October 9, 2009. The Company is located at 6012, 85 Avenue, Edmonton, AB, T6B 0J5.

The Agreement of Purchase and Sale for the Company's Gift Lake assets was effective December 1, 2013. The Gift Lake property is located in north central Alberta. On July 7, 2016, the Company entered into a Purchase and Sale Agreement with a non-related arm's length party, whereby it agreed to sell the Gift Lake assets in consideration for \$325,000.

Upon completion of the sale of the Company's Gift Lake property, the Company has no material commercial operations and no material assets other than cash, GST receivable, accrued interest receivable, and loans receivable. The Company's cash will be used to identify and evaluate businesses or assets.

The Company's cash position increased during the year ended June 30, 2017 to \$668,743 from \$535,290 at June 30, 2016. Working capital has decreased slightly from \$981,042 at June 30, 2016 to \$827,287 at June 30, 2017.

Results of Operations

For the year ended June 30, 2017, the Company reported net loss of \$153,755 (2016 – \$443,134) and loss per share of \$0.02 (2016 - \$0.05). The decrease in net loss from the comparative period is mainly due the sale of the Company's oil and gas property during the year ended June 30, 2017, resulting in the elimination of all associated costs of operations. During the year ended June 30, 2017, the Company had revenue of \$20,253 (2016 - \$238,437). For the year ended June 30, 2017, the Company had depletion expenses of \$nil (2016 - \$15,682), general and administrative expenses of \$16,425 (2016 - \$17,479), impairment of property and equipment of \$nil (2016 - \$220,716), management and consulting fees of \$97,630 (2016 - \$95,966), production and operating costs of \$18,484 (2016 - \$291,868), and professional fees of \$49,180 (2016 - \$53,780). During the year ended June 30, 2017, the Company recorded interest income of \$7,711 (2016 - \$5,172) and finance costs of \$nil (2016 - \$88,561).

Liquidity

As at June 30, 2017, the Company had cash and cash equivalents of \$668,743 and working capital of \$827,287 compared to cash and cash equivalents of \$535,290 and working capital of \$981,042 at June 30, 2016.

The Company is confident that it has sufficient cash resources and revenue to finance its activities for the upcoming fiscal year.

Selected Annual Financial Information

The following table sets forth selected audited financial information of the Company from the last three completed financial years ended June 30:

	2017 \$	2016 \$	2015 \$
Total revenue	20,253	238,437	695,276
Net loss for the year	(153,755)	(443,134)	(142,607)
Basic and diluted loss per share	(0.02)	(0.05)	(0.02)
Total assets	827,418	1,147,077	1,761,870
Total non-current financial liabilities	–	–	139,969

Summary of Quarterly Results

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	June 30, 2017 \$	March 31, 2017 \$	December 31, 2016 \$	September 30, 2016 \$
Revenue	20,253	–	–	–
Net loss for the period	(20,001)	(45,742)	(53,880)	(34,132)
Basic and diluted earnings (loss) per share	(0.00)	(0.01)	(0.01)	(0.00)

	June 30, 2016 \$	March 31, 2016 \$	December 31, 2015 \$	September 30, 2015 \$
Revenue	33,411	40,423	79,642	84,961
Net loss for the period	(36,253)	(128,448)	(193,877)	(84,556)
Basic and diluted earnings (loss) per share	(0.00)	(0.02)	(0.02)	(0.01)

The decrease in the net loss during the year ended June 30, 2017, compared to the previous year, is mainly due the sale of the Company's oil and gas property and the resulting elimination of all associated costs of operations.

Petroleum and Royalty Production

The Company's Gift Lake Assets consisted of a 45% working interest in one active well and a 25% interest in two other active wells. The Company also received royalty payments from the production on its fourth active interest. The Company also had a working interest in two inactive wells. On July 7, 2016, the Company entered into a Purchase and Sale Agreement with an arm's length party, whereby it agreed to sell the Gift Lake assets in consideration for \$325,000. The Company received TSX Venture Exchange approval and closed the transaction on August 9, 2016.

Related Party Transactions

- During the year ended June 30, 2017, the Company incurred management fees of \$12,000 (2016 - \$12,000) to a company controlled by the President of the Company.
- During the year ended June 30, 2017, the Company incurred management fees of \$83,500 (2016 - \$79,500) to a company controlled by the Chief Financial Officer of the Company.
- During the year ended June 30, 2017, the Company incurred professional fees of \$29,500 (2016 - \$30,000) to a company controlled by the Chief Financial Officer of the Company.

Accounting Standards Issued But Not Yet Effective

The following new standards, and amendments to standards and interpretations, are not yet effective for the year ended June 30, 2017, and have not been applied in preparing the financial statements:

- IFRS 9 Financial Instruments (New)

The Company has not early adopted these revised standards and is currently assessing the impact that these standards will have on the Company's financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

Financial Instruments and Risks

Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's statement of financial position as at June 30, 2017, as follows:

	Fair Value Measurements Using			Balance, June 30, 2017 \$
	Quoted prices in active markets for identical instruments (Level 1) \$	Significant other observable inputs (Level 2) \$	Significant unobservable inputs (Level 3) \$	
Cash and cash equivalents	668,743	–	–	668,743

The fair values of other financial instruments, which include accounts receivable, GST receivable, accrued interest receivable, loans receivable, income taxes receivable, and accounts payable and accrued liabilities and approximate their carrying values due to the relatively short-term maturity of these instruments.

Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and cash equivalents, accounts receivable, GST receivable, loans receivable, and income taxes receivable. The Company limits its exposure to credit loss by placing its cash and cash equivalents with high credit quality financial institutions. The Company performs ongoing credit evaluations, does not require collateral and establishes an allowance for doubtful accounts based on the age of the receivable and the specific identification of receivables the Company considers at risk. GST receivable and income taxes receivable is due from the Government of Canada and the province of Alberta. The carrying amount of financial assets represents the maximum credit exposure.

Foreign Exchange Rate Risk

The Company is not exposed to any significant foreign exchange rate risk.

Interest Rate Risk

The Company's exposure to interest rate risk relates to its ability to earn short-term interest on cash and cash equivalents balances at variable rates.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. Given the nature of the Company's financial assets, it believes that liquidity risk is relatively low.

Financial Instruments and Risks (continued)

Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities. The Company producing assets and current programs for exploration do expose the Company to some commodity price risk but management is confident that prices should not fluctuate a great deal in the next twelve months.

Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and cash equivalents and equity comprised of issued share capital, share-based payment reserve, and deficit.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended June 30, 2016.

Additional Disclosure for Venture Issuers Without Significant Revenue

An analysis of material components of the Company's general and administrative expenses is disclosed in the audited financial statements for the year ended June 30, 2017 to which this MD&A relates.

Disclosure of Outstanding Share Data

Share Capital

Authorized: Unlimited number of common shares without par value.

Escrow shares:

As at October 30, 2017, the Company had 9,000,000 shares issued and outstanding.

Stock Options

As at October 30, 2017, the Company had no stock options outstanding.

Share Purchase Warrants

As at October 30, 2017, the following warrants were outstanding:

Number of warrants outstanding	Exercise price	Expiry date
3,000,000	\$ 0.15	January 24, 2018

Management's Report on Internal Controls over Financial Reporting

In connection with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the audited financial statements and respective accompanying MD&A.

The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the financial statement filings on SEDAR at www.sedar.com.