

**RIVERSIDE RESOURCES INC.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED JUNE 30, 2017**

INTRODUCTION

The management's discussion and analysis of the financial condition and results of operations ("MD&A") focuses upon the activities, results of operations, liquidity and capital resources of Riverside Resources Inc. (the "Company" or "Riverside") for the nine months ended June 30, 2017. In order to better understand the MD&A it should be read in conjunction with the unaudited financial statements and related notes for the nine months ended June 30, 2017 and the audited financial statements and related notes for the year ended September 30, 2016. The Company's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and filed with appropriate regulatory authorities in Canada. This MD&A is current to August 29, 2017 and in Canadian dollars unless otherwise stated.

Additional information relating to the Company, including its Information Circular for the financial year ended September 30, 2016, is available under the Company's profile on SEDAR at www.sedar.com.

Forward-Looking Statements

Information set forth in this MD&A may involve forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation; statements about the size and timing of future exploration on and the development of the Company's properties are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: the need for additional financing; operational risks associated with mineral exploration; fluctuations in commodity prices; title matters; environmental liability claims and insurance; reliance on key personnel; the volatility of our common share price and volume and other reports and filings with the TSX Venture Exchange and applicable Canadian securities regulations. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies the Company is bound. Investors are cautioned against attributing undue certainty to forward-looking statements.

The users of this information, including but not limited to investors and prospective investors, should read it in conjunction with all other disclosure documents provided including but not limited to all documents filed on SEDAR (www.SEDAR.com).

CORPORATE OVERVIEW

The Company is a mineral exploration and development company listed on the TSX Venture Exchange under the symbol "RRI" and is engaged in the acquisition, exploration and development of exploration and evaluation assets in the Americas including Canada, the United States and Mexico where the technical team collectively has more than 100 years of exploration experience and has been part of more than five discoveries that have found mineral resources and gone into production.

The Company combines the experience of mine discoverer John-Mark Staude (President, CEO, Director), Ron Burk (Vice President Exploration) and Adrian Bray (Manager of Operations) with the finance and business management expertise of Rob Scott (CFO), Brian Groves (Director), James Clare (Director), Walter Henry (Director) and Carol Ellis (Director). Management has experience in developing significant shareholder value and they have assembled a team that can build a valuable and successful organization.

CAPITAL STOCK

As at June 30, 2017, the Company had \$24,472,028 in capital stock and 44,179,313 common shares outstanding.

Private Placement

On March 15, 2017, the Company completed a non-brokered private placement consisting of 6,257,367 units at a price of \$0.55 per unit for gross proceeds of \$3,441,552. As part of the financing, the Company issued 152,168 additional units as finders' fees, where 149,168 units were issued on April 24, 2017. Each unit consisted of one common share and one half of one common share purchase warrant. Each whole common share purchase warrant is exercisable into one common share for a period of two years from closing at a price of \$0.85 per share. The term of the warrants is subject to an accelerated exercise provision that triggers a shortened exercise period in the event that the volume-weighted average trading price of the Company is \$1.15 or higher for 15 consecutive trading days after the expiry of four months from the issuance of the warrant but prior to the expiry of the first year of the warrant term.

Options and Performance Bonus Shares

Stock option and performance bonus share activity for the nine months ended June 30, 2017 included the following:

- (a) 1,070,000 options were granted, exercisable at a price of \$0.42 per common share for a period of 5 years.
- (b) 105,000 options were exercised for gross proceeds of \$22,100.
- (c) 125,000 options were forfeited.
- (d) 55,000 bonus shares were issued at a value of \$24,475 to certain executive officers and consultants of the Company.

Stock option and performance bonus share activity for the year ended September 30, 2016 included the following:

- (a) 320,000 bonus shares were issued at a value of \$48,000 to certain officers and consultants in accordance with the Company's shareholder approved bonus share plan.
- (b) 1,465,000 options expired unexercised, and 403,000 options were forfeited.
- (c) 955,000 options were granted, exercisable at a price of \$0.145 per common share for a period of 5 years.
- (d) 38,000 options were exercised for gross proceeds of \$10,260.

Warrants

There were 3,204,767 share purchase warrants outstanding as June 30, 2017 (September 30, 2016 – nil).

OPERATIONS

The Company's exploration team remains active in Mexico and continues to cost effectively build a strong portfolio of gold, silver and copper exploration assets. The Company continues to focus on northern and central Mexico where it has multiple exploration partners funding programs focused on gold, silver and copper.

Cecilia Gold Project, Sonora, Mexico

In January 2017, the Company signed the letter agreements with Gunpoint Exploration Ltd. ("Gunpoint") and Millrock Resources Inc. ("Millrock") to consolidate the former company's three La Cecilia Margarita concessions with the Violeta concession into a unified Cecilia Project. The Cecilia Project, located in northeastern Sonora, Mexico, is targeting epithermal gold-silver mineralization in a rhyolite dome setting. The epithermal gold-silver mineralisation is hosted by a felsic flow-dome complex, which is similar in age and composition to volcanic structures associated with the large Pitarrilla and San Juan silver deposits found in the State of Durango.

The 778.3-hectare Cecilia-Margarita concession covers four gold-silver target zones. Previous work focused on only a portion of the Project within an area of less than one square kilometre where more than thirty underground workings and twenty-three drill-holes have tested predominantly gold-bearing quartz veinlet stockworks and hydrothermal breccias hosted by siliceous volcanic rocks. Previous exploration completed by the predecessor to the Geologic Survey of Mexico and Cambior Explorations includes geological mapping, extensive surface and underground rock-chip sampling and two diamond drilling programs, one comprising 19 holes drilled in 1995 and an earlier campaign of four drill-holes. Highlights of exploration results reported by the previous operators include:

- 137 of 683 (20%) surface rock-chip samples assaying greater than 0.5 grams gold/tonne (g/t Au), with 72 of the 683 samples (approx.11%) having assays of greater than 1 g/t Au.
- A semi-continuous series of surface chip-channel rock samples across 119 metres (m) of altered volcanic rock that average 0.86 g/t Au, including 25 m grading 2.19 g/t Au. This sampling tested the North Breccia gold target.
- A drill-hole intersection of the North Breccia zone that averaged 1.41 g/t Au across 30.0 metres starting at 4.0 m in Cambior hole 138-95-08 is one of the better historic intercepts. A second intersection of the North Breccia zone averaged 0.39 g/t Au across 20.0 m starting at 48.0 m in hole 138-95-19.
- A 127 m intersection of altered polyolithic breccia conglomerate in corehole 83-03, also drilled in the area of the North Breccia target, that produced nineteen samples which were shown to contain 1-2 g/t Au and 12-28 g/t silver (Ag) by rudimentary fire assaying apparently without atomic adsorption being done on the samples.
- An approximately 118 m intersection of altered silicic volcanic rocks in drill-hole 83-04 on the Central Zone target produced seventy-seven core samples which were found to contain 1-2 g/t Au and 12-136 g/t Ag by the same assaying method as was used on the samples from drill-hole 88-03.

The Company completed the first phase of self-funded exploration program in July of 2017, subsequent to the quarter end. The sampling done to date has been concentrated at the North Breccia and Central zones, the two high priority gold targets ready to progress on the property.

A key component of the Company's exploration program was to confirm the existence of multiple zones of gold-bearing hydrothermal breccia and quartz stockwork veining that had been sampled decades ago by other groups, including Chesapeake Gold Corp., Cambior Explorations and the Consejo de Recursos Minerales, the predecessor to Mexico's geological survey, Servicio Geologico Mexicano. Riverside accomplished this by collecting and analyzing a total of 406 rock samples from the Project's four main gold zones, the North Breccia, Central, West and East Zones. Bedrock exposures in areas surrounding the four prospects were also sampled with the objective of expanding the known zones of gold mineralization. Clusters of samples with gold concentrations greater than 0.3 g/t Au clearly define the above-mentioned gold zones. Importantly, gold mineralization at Cecilia is seen to be widespread, occurring over an area that is roughly 1,200 metres by 400 metres, and it is also found over an elevation range of more than 400 metres.

Some highlights of Riverside's sampling results included 8.0 and 9.7 metre wide zones of gold mineralization at the North Breccia Zone that averaged 3.90 g/t Au and 1.18 g/t Au, respectively as disclosed in the Company's news release and available on the website. These intervals encompass a total of 8 chip-channel samples 1.80 to 3.0 metres in length. About 400 metres southwest of the North Breccia Zone an altered fault structure was mineralized, with a 3.0 m wide zone showing an average grade of 5.45 g/t Au. The Company's exploration program has successfully outlined a number of priority drill targets and Riverside has now started the application process for drill permitting.

In addition to its rock sampling program, Riverside's geologists compiled and reviewed geological and geochemical data sets that had been generated over a 35-year history of modern exploration at Cecilia. Specific drilling targets have now been selected at Cecilia and a work permit application for a drilling program is being prepared for Mexico's environmental agency, SEMARNAT. Such permits are typically received 2 to 3 months after applications are submitted.

The selection of Riverside's drill targets was guided by gold assay data for surface and underground rock samples that were viewed in the context of a geological and exploration model of the Cerro Magallanes volcanic flow-dome complex. This model was developed by Riverside's geologists and is based on other flow-dome complexes in Mexico where economically important ore systems are found (eg. La Pitarrilla, San Julian). Riverside's planned drill-holes have been designed to test the North Breccia, Central and East gold zones using borehole orientations that in most cases will be at least 90° to the azimuth directions of the historic drill-holes, i.e. the planned holes will be directed to the south or southwest instead of to the northwest. Many of the boreholes drilled in 1995 are interpreted to have been oriented subparallel to the main mineralized structures, consequently missing their targets. Existing drill roads, with minor upgrading, will facilitate future drilling.

Some of Riverside's proposed drill-holes are designed to test deeper levels of the volcanic complex to explore for feeder structures that may control large epithermal quartz veins containing high-grade gold-silver mineralization. Such mineralization was found in boulders scattered at the entrances to a few of the old underground workings at the Central Zone (see press release on June 6, 2017). Select samples of this type of quartz veining yielded gold assays of 13.9 g/t Au, 19.0 g/t Au, 55.0 g/t Au and 133.7 g/t Au, with corresponding silver assays of 20.7 g/t Ag, 335.0 g/t Ag, 288.0 g/t Ag and 87.8 g/t Ag.

Highlights of the exploration results reported from the first-phase exploration program by the Company include:

- Thirty-three (33) of the 91 samples collected at Cecilia (approximately 36% of the total) yielded gold assays greater than 0.5 g/t gold (Au), with five samples assaying greater than 3 g/t Au.
- The three best rock-chip assays were 113.7 g/t Au with 288 g/t silver (Ag), 58 g/t Au with 207 g/t Ag and 8.42 g/t Au with 87.8 g/t Ag. The sampling has also shown that silver mineralization is more strongly developed in the altered rocks than was reported by previous operators.
- Nineteen (19) of the 91 samples have silver contents greater than 100 g/t Ag, six of these samples yielding assays that were greater than 200 g/t Ag and the maximum silver assay was 310 g/t Ag.
- The silver-to-gold ratio of the epithermal mineralization appears to increase as mineralized structures are sampled at progressively lower elevations, which is characteristic of some of the major epithermal Ag-Au dome complexes of Mexico.

The Company's rock-chip samples confirm the existence of gold mineralization in hydrothermally brecciated felsic volcanic rocks of the Cerro Magallanes flow-dome complex. One key objective of the ongoing rock-chip sampling program is to confirm the existence of zones of gold-bearing hydrothermal breccias and quartz veinlet stockworks that were previously identified by other exploration groups. In addition, prospecting and rock sampling is being done in adjacent areas not previously sampled. This work is intended to expand beyond the known extents of gold mineralization and to discover new zones, with the ultimate goal of defining high-potential drill targets.

Glor Gold Project

The Company's Glor Project is located in Sonora, Mexico, and was initially acquired and funded as part of the Company's past strategic alliance with Hochschild Mining.

On July 25, 2016, the Company announced that it had entered into an option agreement with Minera Centerra S.A. de C.V. ("Minera Centerra"). Minera Centerra will have the opportunity to earn a 70-per-cent interest in the project by funding \$3.5-million (U.S.) in exploration work over the next four years.

The Company has completed an initial nine-hole, 1,942 metre, diamond core drilling program at the 4 km² Pitaya Target within the 36 km² Glor Gold Project, which is being explored with funding by partner, Centerra Gold Inc. ("Centerra"). The Project hosts five other key target areas and the Property is located approximately 8 km west of Alamos Gold's El Chanate Mine in Sonora, Mexico. The recently completed drill program focused on the Pitaya Target located in the north-eastern sector of the Project, which had been defined by soil geochemistry and induced polarization geophysical surveys and then further investigated with mechanical trenching and chip-channel sampling as reported in news releases.

The longest hole of the 2017 drill program was 285 metres. Drill-hole GL17-002D yielded the best intersection of gold mineralization of the campaign: 11.0 metres averaging 0.591 grams gold per tonne (g/t Au) starting at 122 metres down the inclined drill-hole. The highest gold value included in this assay interval is 1.415 g/t Au over 1.0 metre of core. The other eight drill-holes intersected sporadic thin zones of gold mineralization that generally graded less than 0.4 g/t Au across 1.0 metre, with the best of these intercepts being a 2.0 metre interval in GL17-004D that averaged 0.466 g/t Au.

Fieldwork continues with funding by Centerra through the remainder of 2017 and, if sufficiently prospective gold targets are generated, a second round of drilling will possibly be completed before the end of the year. A brief summary of the project and previous disclosures are available on the Company's website.

Peñoles Project, Durango, Mexico

Please visit the Company's website and SEDAR filings for further information on the resource estimate and all of the previously completed exploration and drill programs at the Peñoles Property.

Tajitos Gold Project, Sonora, Mexico

The Tajitos Gold Project consists of two concessions blocks: Tajitos and El Tejo. The Tajitos Project hosts an extensive and well mineralized gold system in northwestern Mexico. The project was identified using a combination of the Company's Mexico mineral databases, local geologic knowledge, historic production data, and extensive personal networks.

The Company completed drilling in 2016 which tested the prospective trend of gold-rich Mesozoic volcanosedimentary mineralization that extends to the southeast under shallow post-mineralization cover at Tajitos, Sonora. The Company on May 17, 2016 announced results from eight (8) diamond core holes totalling 1,832 metres. Highlighted intercepts from the core drilling included (reported intervals are approximate true width):

- T16-001D, 3.00 metres @ 1.14 g/t gold starting at 297.00 metres depth (hole ended in mineralization);
- T16-002D, 11.10 metres @ 0.78 g/t gold starting at 185.90 metres depth;
- T16-005D, 3.00 metres @ 6.12 g/t gold starting at 48.00 metres depth;
- T16-008D, 1.50 metres @ 6.03 g/t gold starting at 42.00 metres depth;

Mineralization intersected in the Tajitos drilling correlates with fault zones and lithologic contacts and further drilling will be able to determine the mineralization extent and tenor. The core drilling at Tajitos provides key structural and stratigraphic information permitting updated fault control gold modeling and detailed investigation of alteration patterns and paragenesis of the gold mineralization. Please visit the Tajitos Project page to view a drill hole location map, cross sections and additional photos and figures.

A program of reverse circulation drilling in the Tejo concession area was completed in 2016 that sampled bedrock beneath post-mineral gravel cover. The program completed 12 holes for a total of 1,728 metres. The Tejo drilling discovered two new zones of favorable geologic units as well as determined depth to bedrock for a portion of the >15 km² property target area. The intersected bedrock includes the same stratigraphic units which host gold mineralization at the Tajitos target and similar alteration is observed in both areas.

The Tajitos project is owned 100% by Riverside and is open to finding exploration partners for the property. The high grades, near surface gold, and easy access make this a quality project for exploration discovery and further development.

Clemente Silver - Gold Project

The Company's Clemente project is an early stage exploration property located in western Sonora, Mexico. On August 23, 2016, the Company entered into a Letter of Intent ("LOI") with Silver Viper Minerals Corp. ("Silver Viper") whereby Silver Viper will acquire a 100% interest in the Clemente property. On December 2, 2016, the Company entered into a Definitive Agreement with Silver Viper, whereby Silver Viper will need to pay cash of \$796,500 (\$86,500 received), issue 2,000,000 common shares to the Company (1,000,000 common shares received), and incur \$4,000,000 in aggregate exploration expenditures within five years of signing the Definitive Agreement. Silver Viper is in the process of completing its initial public offering ("IPO") and listing on the TSX Venture Exchange. It is formulating its exploration plans on the property and will commence once the listing is completed. A brief summary of the project and previous disclosures are available on the Company's website.

La Silla Gold - Silver Project

On November 17, 2015, the Company announced that it had won the right to stake concessions in the La Silla gold district in Sinaloa, Mexico. On June 29, 2016, the Company announced results from initial rock sampling with assays ranging from less than 0.05 gram per tonne gold up to 7.24 g/t gold and less than 0.05 gram per tonne silver up to 148.4 g/t silver. The Company is open for potential partnership on the Project. A brief summary of the project and previous disclosures are available on the Company's website.

Thor Copper Project, Sonora, Mexico

In June 2017, Riverside regained a 100% interest in the Thor Copper Project (the "Project"), as the Company's joint-venture partner, a subsidiary of Antofagasta plc ("Antofagasta"), elected not to complete the C\$5M in exploration expenditure required to earn a 65% interest in the Project. The Thor Copper Project is located in north-eastern Sonora along the main copper producing belt of Mexico. Riverside and Antofagasta completed an initial proof-of-concept

drill program to test for a Laramide aged porphyry-intrusive system. The first four (4) drill holes ever drilled at Thor confirmed the concept, with three of the four drill holes intersecting a large Laramide-aged porphyry style quartz-sericite-pyrite stockwork system. The initial drill holes did not return sufficient gold or copper assays for partner Antofagasta to continue, but the limited drilling that was completed was successful in hitting alteration and providing support for further exploration.

Riverside has drill permits in place, drill cores, maps, data and target areas defined ready to go for the next property option partner. The Company also owns the 12.4 km² Ariel Copper-Gold Project, which was won through the lottery-staking system and is strategically located 30 km ESE of the La Caridad Cu-Mo porphyry mine. Ariel covers an extensive zone of hydrothermal alteration, measuring 2.8 km in length by approximately 1.9 km wide.

The scientific and technical data contained in the property descriptions pertaining to the Company's Mexico portfolio were reviewed by Ron Burk, P. Eng., who is responsible for ensuring that the geologic information provided in this section of the Management Discussion and Analysis is accurate and acts as a "qualified person" under National Instrument 43-101 Standards of Disclosure for Mineral Projects.

REVIEW OF OPERATIONS AND FINANCIAL RESULTS

Three-month period ended June 30, 2017

The Company incurred a net loss of \$336,878, resulting in a loss per share of \$0.01. The loss was attributable to operating expenses of \$415,905, which were supplemented by an unrealized gain on short-term investments of \$59,655, finance income of \$343 and other income of \$19,029.

Nine-month period ended June 30, 2017

The Company incurred a net loss of \$877,858, resulting in a loss per share of \$0.02. The loss was attributable to operating expenses of \$1,049,268, which were supplemented by an unrealized gain on short-term investments of \$97,768, finance income of \$3757 and other income of \$69,885.

Three-month period ended June 30, 2016

The Company incurred a net loss of \$112,517, resulting in a loss per share of \$0.00. The loss was attributable to operating expenses of \$264,216 before considering the effect of the foreign exchange gain of \$586, an unrealized gain on short-term investments of \$147,830, finance income of \$3,133, and other income of \$150.

Nine-month period ended June 30, 2016

The Company incurred a net loss of \$236,168, resulting in a loss per share of \$0.01. The loss was attributable to operating expenses of \$783,758 before considering the effect of the foreign exchange loss of \$66,533, an unrealized loss on short-term investments of \$284,497, and a write-down of short-term investments of \$400,000, which were offset by recovery on exploration and evaluation assets of \$1,279,428, finance income of \$19,042, and other income of \$150.

Exploration

The Company capitalizes all exploration costs relating to its resource interests whereas pre-exploration costs are expensed as incurred. During the period ended June 30, 2017, the Company recorded \$1,599,321 in acquisition and exploration of its properties as follows:

- Mexico
 - Peñoles \$ 524,545
 - Tajitos \$ 302,677
 - Clemente \$ 98,712
 - La Silla \$ 80,855
 - Glor \$ 137,070
 - Bacoachi \$ 1,061
 - Cecilia \$ 397,821
 - Teco \$ 47,376

- Canada
 - Flute \$ 3,852
 - Lennac \$ 5,352

The Company recovered \$337,322 of the acquisition and exploration expenditures through an option agreement with Silver Viper on the Clemente property during the period ended June 30, 2017, which reduced the cumulative exploration costs.

During the period ended June 30, 2016, the Company recorded \$485,598 in acquisition and exploration of its properties as follows:

- US
 - Sugarloaf Peak \$ 34,657
- Mexico
 - Penoles \$ 174,258
 - Tajitos \$ 163,550
 - Clemente \$ 8,637
 - La Silla \$ 86,907
 - Glor \$ 17,589

Upon termination of Penoles option agreement with Morro Bay, the Company returned 20,108,108 Morro Bay shares to Morro Bay, valued at \$201,081.

Full particulars of the deferred exploration costs are shown in Note 7 to the Financial Statements.

Recoveries and Other Income

During the period ended June 30, 2017, the Company received \$87,322 in cash and 1,000,000 Silver Viper shares valued at \$250,000 with respect to the option agreement on the Clemente property. Finance income and other income for the period ended June 30, 2017 were \$3,757 and \$69,885 respectively.

During the period ended June 30, 2016, the Company received \$692,000 cash and 4,000,000 Croesus Gold Corp. shares valued at \$400,000 with respect to the option agreement on the Sugarloaf Peak Property. Of the total \$1,092,000 recovered, \$417,001 was offset against the carrying value of the property bringing the balance down to \$nil as at June 30, 2016. The remaining \$674,999 was recorded as a recovery on the exploration and evaluation asset on the statement of operations and comprehensive loss. In addition, the Company recovered \$604,429 from exploration alliances which was recognized in the statement of operations and comprehensive loss.

Other income consists of revenue from exploration equipment and vehicle rentals to the alliance and work programs.

Expenses

During the nine months ended June 30, 2017, the Company being the operator of the exploration programs earned \$54,773 and \$95,380 of management fees respectively in relation to the Thor Project and Centerra-Glor Project. These fees were recorded as a reduction in consulting fees per the Company's accounting policy. Compared to the previous year, property investigation and evaluation was higher as the Company sought for property acquisition opportunities in Latin America.

General and administrative expenses consist of filing fees, director's fees, rent, general office expenses and administrative services related to maintaining the Company's exchange listing and complying with securities regulations. Rent and general office expenses decreased compared to the same period in the prior year as the Company cut costs to conserve capital.

RISKS AND UNCERTAINTIES

In conducting its business, the Company faces a number of risks and uncertainties related to the mineral exploration industry. Some of these risk factors include risks associated with land titles, exploration and development, government and environmental regulations, permits and licenses, competition, dependence on key personnel, fluctuating mineral and metal prices, the requirement and ability to raise additional capital through future financings and price volatility of publicly traded securities. Please refer to the MD&A for the year ended September 30, 2016 for more detailed discussion of such risk factors.

SUMMARY OF QUARTERLY RESULTS

The following table sets forth selected quarterly consolidated financial information for each of the last eight quarters with the figures for each quarter in Canadian dollars.

Quarter end	Finance income (expense)	Property and other income (expense)	Unrealized gain/(loss) on short-term investments	Net income (loss)	Earnings (Loss) per share (basic & fully diluted)
30-Jun-17	343	19,029	59,655	(336,878)	(0.01)
31-Mar-17	2,373	13,027	52,827	(367,946)	(0.00)
31-Dec-16	1,041	37,829	(14,714)	(173,034)	(0.00)
30-Sep-16	1,162	175	875,906	998,726	0.03
30-Jun-16	3,133	150	147,830	(112,517)	(0.00)
31-Mar-16	5,622	-	290	261,766	0.01
31-Dec-15	10,287	-	(432,617)	(385,417)	(0.01)
30-Sep-15	(3,896)	10,356	(867,698)	(1,396,525)	(0.04)

The net income for the quarter ended September 30, 2016 was primarily due to an unrealized gain on short-term investments. Other than the ongoing costs of the business, the net loss for the quarter ended September 30, 2015 was mainly due to the write-down of loan receivable and unrealized losses on marketable securities in short-term investments.

LIQUIDITY AND CAPITAL RESOURCES

The Company relies on equity financings and exploration alliances for its working capital requirements and to fund its planned exploration and development activities. Management ensures the Company has sufficient cash in its treasury to maintain underlying option payments and keep claims in good standing. Increase in cash and cash equivalents for the period ended June 30, 2017 was \$1,268,208. Working capital as at June 30, 2017 was \$5,763,849. The Company has sufficient funds to meet ongoing corporate activities and planned exploration programs for the ensuing year.

Decrease in cash and cash equivalents for the period ended June 30, 2016 was \$319,329. Working capital as at June 30, 2016 was \$3,650,832.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no undisclosed off-balance sheet arrangements or off-balance sheet financing structures in place.

TRANSACTIONS WITH RELATED PARTIES

Related party transactions are in the normal course of operations and are recorded at their exchange amount which is the price agreed to between the Company and the directors and officers.

The Company entered into the following transactions with related parties:

Payee	Nature of transactions	Period ending March 31	Fees (\$)	Shares (\$)	Amount payable (\$)
Arriva Management Inc.	Management and consulting fees (i)	2017	193,800	4,450	06/30/2017: 5,818
		2016	187,472	11,250	09/30/2016: nil
GSBC Financial Management Inc.	Management and consulting fees (i)	2017	147,503	6,675	06/30/2017: nil
		2016	127,503	11,250	09/30/2016: nil
Ronald Burk	Consulting fees (i)	2017	149,374	2,225	06/30/2017: nil
		2016	nil	nil	09/30/2016: 7,604
English Bay Capital	Consulting fees (i)	2017	121,500	6,675	06/30/2017: nil
		2016	76,500	11,250	09/30/2016: nil
Adrian Bray	Consulting fees (i)	2017	8,250	nil	06/30/2017: nil
		2016	nil	nil	09/30/2016: nil
Michael Doggett*	Director fees	2017	5,000	nil	06/30/2017: nil
		2016	9,000	nil	09/30/2016: nil
Brian Groves	Director fees	2017	9,000	nil	06/30/2017: nil
		2016	9,000	nil	09/30/2016: nil
James Clare	Director fees	2017	9,000	nil	06/30/2017: nil
		2016	9,000	nil	09/30/2016: nil
Carol Ellis	Director fees	2017	9,000	nil	06/30/2017: nil
		2016	1,000	nil	09/30/2016: nil
Walter Henry	Director fees	2017	9,000	nil	06/30/2017: nil
		2016	1,000	nil	09/30/2016: nil

* Michael Doggett did not stand for re-election at the Company's AGM on March 2, 2017.

At June 30, 2017, the amount payable to a company controlled by an officer of the Company was \$348 (September 30, 2016 - \$2,013) for expense reimbursements.

CONTRACTUAL AND OTHER OBLIGATIONS

The Company entered into an office lease agreement with a third party for the office in Vancouver, Canada for a 5-year term from March 1, 2013 to February 28, 2018. Total remaining office lease commitments are as follows: \$177,625 in 2017; and \$74,987 in 2018.

PROPOSED TRANSACTIONS

At the present time, there are no proposed transactions that should be disclosed.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Company's accounting policies are described in Note 4 to the consolidated financial statements for the year ended September 30, 2016.

New standards adopted during the year

Effective October 1, 2015, the following standard was adopted but did not have a material impact on the consolidated financial statements:

- IFRS 7: Amended to require additional disclosures on transition from IAS 39 and IFRS 9, effective for annual periods beginning on or after January 1, 2018.

New standards and interpretations not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for future accounting periods. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- IFRS 9: New standard that replaced IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018.
- IFRS 16, Leases: New standard to establish principles for recognition, measurement, presentation and disclosure of leases with an impact on lessee accounting, effective for annual periods beginning on or after January 1, 2019.

OUTSTANDING SHARE DATA

The authorized capital of the Company consists of an unlimited number of common shares and an unlimited number of preferred shares. No preferred shares have been issued to date. An aggregate of 44,179,313 common shares were issued and outstanding as of the date of this MD&A.

The Company has 3,204,767 share purchase warrants outstanding as of the date of this MD&A.

The following summarizes information about the stock options outstanding as of the date of this MD&A:

Number of Options	Option Exercise Price	Expiry Date
525,000	\$0.650	14-Dec-2017
761,000	\$0.270	14-Nov-2019
725,000	\$0.145	07-Jan-2021
1,020,000	\$0.420	16-Dec-2021
3,031,000		