



**Management's Discussion & Analysis of
Financial Conditions & Results of Operations**

September 30, 2017

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Background

This discussion and analysis of financial position and results of operations of Aurion Resources Ltd. (the "Company" or "Aurion") is prepared as of November 29, 2017 and should be read in conjunction with the consolidated financial statements for the nine months ended September 30, 2017 where necessary. All dollar figures included therein and in the following Management Discussion and Analysis ("MD&A") are quoted in Canadian dollars unless otherwise indicated.

Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

Forward-Looking Statements

Certain statements contained in the following MD&A constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

Company Overview

The Company is a prospect generator with a strategy to fund mineral exploration through partnership agreements. This approach significantly reduces the technical and financial risk for the Company, without losing exposure to the shareholder value enhancement of a major discovery.

The Company was incorporated under the *Business Corporations Act (Alberta)* on April 6, 2006 and listed on the TSX Venture Exchange ("Exchange") on October 3, 2008. Aurion and its wholly-owned subsidiaries, Minera Aurion de Mexico S.A. de C.V., Aurion Resources (US) LLC, Aurion Resources AB and Aurion Oy are engaged in the evaluation, acquisition and exploration of mineral properties in Canada, Mexico, the United States, Sweden and Finland respectively. The Company's primary focus is currently in Finland.

Mineral Properties

As at September 30, 2017

Geographical Area	Balance, Beginning of Year	Additions	Receipts From Partners	Properties written down	Balance, End of Period
	\$	\$	\$	\$	\$
Finland	1,642,844	2,416,660	-	(100,625)	3,958,879
Sweden	-	299,357	-	(15,748)	283,609
United States	422,326	71,789	-	-	494,115
Mexico	-	5,438	-	(5,438)	-
	2,065,170	2,793,244	-	(121,811)	4,736,603

As at December 31, 2016

Geographical Area	Balance, Beginning of	Additions	Receipts From	Properties	Balance, End of
	Year		Partners	written down	Period
	\$	\$	\$	\$	\$
Finland	911,656	1,094,165	(357,000)	(5,977)	1,642,844
United States	420,887	1,558	-	(119)	422,326
Mexico	-	5,418	-	(5,418)	-
	1,332,543	1,101,141	(357,000)	(11,514)	2,065,170

The following provides details of exploration and evaluation asset additions by geographical area for the periods indicated:

	September 30, 2017				September 30, 2016			
	total	Finland	Sweden	USA/Mexico	total	Finland	Sweden	USA/Mexico
	\$	\$	\$	\$	\$	\$	\$	\$
Aquisitions	164,594	164,594	-	-	316,978	316,978	-	-
Land Management	963,319	601,868	284,224	77,227	147,748	140,891	-	6,857
Assays	162,904	162,904	-	-	102,867	102,867	-	-
Field Supplies	62,768	62,768	-	-	25,189	25,189	-	-
Labour	547,353	547,353	-	-	290,234	290,234	-	-
Consulting Fees	112,365	107,595	4,770	-	11,642	11,642	-	-
Recon and Research	8,351	-	8,351	-	3,600	3,600	-	-
Office Rental	11,213	11,213	-	-	-	-	-	-
Core Shed Operations	21,006	21,006	-	-	-	-	-	-
Freight	13,217	13,217	-	-	707	707	-	-
Phone / Internet / Software	15,472	15,472	-	-	-	-	-	-
Office Supplies	7,360	7,360	-	-	250	250	-	-
Miscellaneous	927	927	-	-	6,432	6,432	-	-
Contracts - Drilling & Other	447,157	447,157	-	-	-	-	-	-
Digitizing and Imagery	1,000	1,000	-	-	-	-	-	-
Database	8,649	6,637	2,012	-	76,074	76,074	-	-
Travel	135,058	135,058	-	-	58,489	58,489	-	-
Accommodations	85,799	85,799	-	-	38,191	38,191	-	-
Meals	35,974	35,974	-	-	21,556	21,556	-	-
Equipment and Rentals	77,143	77,143	-	-	90,068	89,949	-	119
Total expenditures	2,881,629	2,505,045	299,357	77,227	1,190,025	1,183,049	-	6,976
Financed by Partners	(88,385)	(88,385)	-	-	(678,387)	(678,387)	-	-
Total Additions	2,793,244	2,416,660	299,357	77,227	511,638	504,662	-	6,976

FINLAND

Since starting its initiative in Finland in early 2014, the Company has assembled approximately 300,000 hectares of mineral tenements in the Central Lapland Greenstone Belt (CLGB) of Northern Finland. This geological setting is highly prospective for gold, platinum group element and base metal deposits.

- a) On March 4, 2014, the Company announced that it had signed a binding Letter of Intent with Dragon Mining Limited (“Dragon”) to acquire a 100% interest in two advanced exploration projects in the CLGB of northern Finland (**Kutuvuoma** and **Silasselkä** (renamed “**Sila**”). According to the terms of the Letter of Intent, the Company finalized and signed a definitive Purchase Agreement on May 26, 2014. Pursuant to the terms of the Purchase Agreement and subject to regulatory approvals, the Company is required to issue a total of 6,000,000 common shares to Dragon in four tranches over three years. The first three tranches of shares will be held in escrow for eighteen months from the

date of the issuance of the first tranche on signing. The Company has also committed to incur a total of €1,000,000 in expenditures on these properties over three years. There are no firm work commitments in the first two years, other than maintaining the tenements in good standing. In addition, Dragon will retain a 3% Net Smelter Royalty ("NSR") on any deposit mined by the Company within the projects or any defined Area of Interests. The NSR can be purchased at any time on or before the sixth anniversary of signing the Purchase Agreement with a single cash payment of €4,000,000. Upon successful resource definition, the Company will also make bonus payments to Dragon for the sum of €2,000,000 in cash or equivalent in common shares of the Company for the defining of 1,000,000 ounces of gold material and €1,000,000 in cash or equivalent in common shares of the Company for the defining of every additional 1,000,000 ounces of gold equivalent material within the projects and the defined Area of Interests.

On September 8, 2014, the Company issued the first tranche of 2,000,000 shares to Dragon. The second tranche of 1,000,000 shares was issued to Dragon on November 14, 2014 and the third tranche of 1,000,000 shares was issued to Dragon on January 6, 2015. The final tranche of 2,000,000 shares was issued to Dragon on May 20, 2016.

On March 3, 2015, the Company announced that it had signed a Letter Agreement with Dragon amending the terms of the original Purchase Agreement dated May 26, 2014. The amendments include the removal of the Right of First Refusal clause, the inclusion of an additional clause in relation to Confidential Information and the relaxing of the time period before the Company can seek a third party partner. As compensation for the amendments, the Company will issue a total of 750,000 common shares at a deemed value of \$0.05 per share, over and above those shares to be issued pursuant to the original Purchase Agreement. 250,000 common shares will be issued to Dragon upon execution of the Letter Agreement and 500,000 common shares will be issued to Dragon either a) at the same time of the issuance of the final installment of shares due pursuant to the Purchase Agreement, or b) on termination of the Purchase Agreement. The Company issued 250,000 to Dragon on March 24, 2015. The remaining balance of 500,000 common shares was issued to Dragon on May 20, 2016 concurrent with the issuance of the final installment of shares (see previous paragraph).

On September 1, 2016 Aurion notified Dragon that it had fulfilled all the requirements under the agreements thus earning its 100% interest subject to the aforementioned royalties.

- b) On August 13, 2015, the Company signed a binding Letter Agreement with B2Gold Corp., ("B2Gold"), granting B2Gold the right to earn up to an undivided 75% interest of an approximately 25,000 ha project area that includes the **Kutuvuoma**, and **Ahvenjarvi** projects. Pursuant to the terms of the Letter Agreement, the Company formalized and signed a definitive Option Agreement with B2Gold on January 18, 2016.

Under the terms of the Letter Agreement B2Gold must complete \$5,000,000 in exploration expenditures, pay Aurion \$50,000 cash and issue 550,000 B2Gold shares over 4 years to earn a 51% interest. B2Gold can earn an additional 19% interest by spending a further \$10,000,000 over 2 years. B2Gold can earn an additional 5% interest (for a total of 75%) by completing a bankable feasibility study.

The first-year commitment of \$750,000 in exploration expenditures including 2000 m of drilling and payment of \$50,000 cash and 50,000 B2Gold shares is guaranteed. A finder's fee was paid by the Company with respect to this transaction was settled on April 29, 2016 by the issuance of 1,476,750 common shares at a value of \$0.13 per share. The Company subsequently agreed to a reduced drilling program for the first year.

As of August 28, 2017, B2Gold is in compliance with the terms of the agreement.

- c) On December 5, 2016, the Company entered into an agreement with Tertiary Minerals plc (“Tertiary”) for the purchase of two gold projects in Northern Finland. Aurion paid £15,000 in cash and issued £85,000 in Aurion shares for a 100% ownership interest in both projects subject to certain royalties including a Pre-Production Royalty of US\$1.00 to \$3.00/ounce gold following the definition of a NI 43-101 (or equivalent) Code compliant Inferred, Indicated and/or Measured Mineral Resources Estimate respectively, on either project. Tertiary will retain a 2% Net Smelter Returns Royalty (“NSR”) on all future gold production from either project of which Aurion can purchase 50% of the NSR from Tertiary for US\$1,000,000 at any time prior to commencement of commercial production on either project.

Finland Projects

The Company currently holds several tenements covering approximately 200,000 hectares including the **Kutuvuoma** and **Ahvenjarvi** projects within the Central Lapland Greenstone Belt (CLGB) of the Fennoscandian Shield. These land holdings are located approximately 850 kilometers north of the Finnish capital of Helsinki and occur entirely north of the Arctic Circle. The Kittilä gold mine operated by Agnico Eagle Mines Limited (Agnico) is currently Europe’s largest gold mining operation (7.7 M oz Gold: Agnico Annual Report 2015) and is located in the CLGB approximately 37 kilometers to the northwest of **Kutuvuoma** in rock sequences of similar age.

Access to all the properties is very good, with forestry roads extending from paved highways providing access to the otherwise forested and undeveloped property areas. Topography in both cases is low and characterized by generally rolling hills with relief of less than 150 m. There are also almost daily flights from Helsinki to the nearby airport in the town of Kittilä.

Most historic, economically important gold deposits of the CLGB occur in direct proximity to the metallogenically important “Sirkka Line” that is centered along the course of the Sirkka Shear Zone (SSZ), a major south dipping thrust fault system showing northeast transport that has been mapped for over 120 km along an east-southeast trend within the CLGB. The SSZ is characterized by numerous sub-parallel splays that also host important, structurally focused gold mineralization such as that present in the Pahtavaara deposit, located 30 km east of **Kutuvuoma**, and the Saattopora deposit located 55 km northwest of **Kutuvuoma**. A set of north-south trending strike-slip shear zones that depart northward from the SSZ are also important regional controls to gold mineralization, the most important of these currently being the Kiistala Shear Zone that hosts the previously mentioned Kittilä gold mine. The Hanhima Shear Zone (HSZ) parallels the Kiistala structure and is located about 10 km to the west of it. Significant new gold occurrences on the Hanhima trend serve to identify this as an emerging regional-scale gold trend. The Company’s **Sila** property strategically lies along strike to the north and covers an essentially unexplored, 13 km long interpreted northern extension of the favorable Hanhima trend.

B2GOLD JOINT VENTURE KUTUVUOMA

Bedrock geology at **Kutuvuoma** is dominated by east to southeast trending Paleoproterozoic volcanic-sedimentary sequences of the CLGB’s Savukoski Group and currently defined gold mineralization on the property occurs in association with sulphide-bearing quartz vein arrays, with disseminated sulphides in altered, albitic, silicious meta-mudstones and meta-igneous rocks as well as in sulphide matrix breccias. The main deposit at **Kutuvuoma** occurs as a moderately west-plunging zone localized along a south

dipping, sheared graphitic unit within sheared and altered Savukovski Group country rocks. These include komatiites as well as graphitic-sulphidic schist, fine grained meta-sandstone and thin interbedded marble.

Historical Results

The **Kutuvuoma** deposit is a high-grade, shear zone hosted gold deposit that was discovered in the mid-1990's by Outokumpu Oy, a publicly listed company in which the Finnish state is a controlling shareholder. Outokumpu drilled 47 shallow core and reverse circulation drillholes totalling 3,425 m, testing **Kutuvuoma** within a very small area (approximately 175 m horizontally and 175 m vertically). No other drilling or trenching was conducted since the mid-1990's. Numerous high grade drill intercepts including 7.2 g/t Au over 19.4 m from 60 m downhole, 13.2 g/t Au over 5.0 m from 88 m downhole and 12.6 g/t Au over 7.0 m from 26 m downhole were recorded from the historical drilling. True width of the mineralization is estimated to be approximately 70-80% of drill intercepts.

Historical Exploration prior to Aurion on the large **Kutuvuoma** property has largely been focused in the immediate area of the drilled deposit, with only regional scale surveys being applied to a portion of the rest of the holding.

The Company has assembled a large land position comprising approximately 25,000 hectares west and northwest of Kutuvuoma covering many gold prospects and significant geochemical anomalies over 30 km in an east-west trend, which is now the subject of an option and earn-in agreement with B2Gold.

The **Kutuvuoma** trend has very few natural bedrock exposures, however, with a limited amount of exploration work (and time in the field) trenching, soil sampling, base of till sampling and prospecting has defined an open-ended mineralized trend greater than 5 km long where only limited drilling was conducted in the past, over a small area at the **Kutuvuoma** deposit.

Metallurgical tests undertaken during 2015 to examine the response of two composite surface trench samples to various processes for the concentration and recovery of the contained gold and to get a general view of the project metallurgy. The response of the samples to whole ore cyanide leaching and to concentration by froth flotation and gravity separation was examined by SGS Canada Inc. at their Lakefield Ontario laboratory.

The samples responded well to all of the processes tested, with gold recoveries by a combination of methods in excess of 98% for both samples, including 80-84% recovery by gravity method alone. The material tested indicates the two areas tested would not require any treatment out of the ordinary. A much more extensive program would be required as the project develops.

Field program 2016

Reconnaissance prospecting, geological mapping and trenching were conducted within the JV area of interest during this field season with encouraging results. Additionally, following several months of data compilation and analysis, 78 specific exploration targets were identified.

B2Gold initiated a small drill program in September comprising 5 drill holes for 535m. The drill program was designed to test the lateral continuity of the **Kutuvuoma** system. The drill program comprised 5 HQ sized diamond drillholes with total meterage of 535 m. Two holes were drilled west of the **Kutuvuoma** deposit, one into the deposit and two east of the deposit over an aggregate distance of approximately 1 km. The program was designed to test for lateral continuity of the **Kutuvuoma** main mineralized zone east and west of the **Kutuvuoma** deposit.

The best hole of the program was drillhole KU16003 which was drilled into the known deposit. It intersected two mineralized zones, the first zone assayed 8.59 g/t Au over 2.15 m starting at 21.4 m downhole. The second zone assayed 11.37 g/t Au over 13.3 m starting at 71.85 m downhole. The upper zone intersection occurs in the structural hanging wall, and represents a promising zone to follow up. Previous hanging wall intercepts include 96.5 g/t Au over 1.2 m from Outokumpu ddh KUV-47, drilled in 1993. The second zone was a twin of Outokumpu ddh KUV-36 which assayed 7.2 g/t Au over 19.4 m, also drilled in 1993.

All holes intersected the main **Kutuvuoma** horizon and were variably mineralized. Hole KU16001 located approximately 370 m west of the **Kutuvuoma** deposit intersected a zone assaying 1.76 g/t Au over 8.85 m starting at 38.55 m downhole. Hole KU16004 was drilled 240 m west of the deposit and intersected a 27.35 m wide zone of anomalous gold assaying 0.1 to 0.4 g/t Au with a best assay of 2.21 g/t Au over 1.2 m starting at 71.1 m downhole. Hole KU16002 was drilled approximately 100 m east of the deposit and intersected a mineralized zone at 42.55 m downhole which assayed 1.43 g/t Au over 5.05 m. Hole KU16005 was a 650 m step-out to the east of the deposit and intersected a 32.9 m wide zone of anomalous mineralization assaying 0.1-0.4 g/t Au including 2.4 g/t Au over 0.65 m starting at 60.75 m downhole and 10.1 g/t Au over 0.45 m starting at 65.35 m downhole. The deposit remains open at depth and along strike in both directions.

Kutuvuoma 2016 drill results summary

HoleID	From (m)	To (m)	Length (m)	Au (g/t)
KU16001	38.65	47.50	8.85	1.76
incl	43.45	44.70	1.25	5.60
KU16002	42.55	47.60	5.05	1.67
incl	46.70	47.60	0.90	6.19
KU16003	21.40	23.55	2.15	8.59
incl	22.35	23.55	1.20	11.05
And	71.85	85.15	13.3	11.37
incl	72.40	73.60	1.20	16.65
incl	76.65	77.30	0.65	26.30
incl	78.40	79.60	1.20	24.60
incl	79.60	80.80	1.20	47.00
KU16004	71.10	72.30	1.20	2.21
KU16005	60.75	61.40	0.65	2.41
and	65.35	65.80	0.45	10.10

Note: assay composites were calculated using uncut assays and are reported as drilled lengths. All drill intercepts are downhole widths, true widths appear to be approximately 80-85% of downhole widths but there has been insufficient drilling to date to sufficiently determine true widths.

Field Program 2017

B2Gold advised the company its exploration budget for 2017 is approximately CAN\$3.5 million. The primary target is the **Kutuvuoma** trend where trenching was conducted. Trenching was also conducted at the Tepsa prospect approximately 2 km West-Northwest of Kutuvuoma. Anextensive property wide Base-of-Till (BoT) sampling program is still underway. Drilling on the **Kutuvuoma**-Tepsa trend is underway. Assays from all programs are pending.

AHVENJARVI

The **Ahvenjarvi** project is located in Northern Finland, approximately 20 km west of the **Kutuvuoma** property.

The mineralization consists of a widespread millimeter to meter scale quartz-tourmaline-pyrite veins hosted by sandstone and conglomerate within a wide zone of strong silica and potassic (sericite and k-feldspar) alteration and brecciation with abundant iron oxide (magnetite and specular hematite) mineralization. Visible gold is common within the veins.

Field program 2016

The field program at **Ahvenjarvi** primarily comprised detailed prospecting and reconnaissance geological mapping resulting in the discovery of new zones of robust mineralization. Quartz-tourmaline-pyrite veins in angular boulders, sub outcrop and outcrop occurring over a distance of > 2.0 km have assayed from nil to 33.0 g/t Au. Vein widths range from 5 cm to >1.5 m wide. The most significant mineralization occurs in a 200m by 200 m area (“Plateau Prospect”) where 54 rock samples of intensely veined, brecciated and sulfide/oxide mineralized material assayed from nil to 33.0 g/t Au including 6 samples which assayed greater than 10 g/t Au (33.0, 17.4, 16.5, 15.7, 14.4 and 13.2 g/t Au). The aforementioned samples are “grab” samples.

Much of this new mineralization form several parallel trends greater than 500m long over a greater than 2 km distance in a new NE-SW orientation. This trend of mineralization appears to be associated with an interpreted fault system along or parallel to the NE-SW oriented axial plane or center line of a folded sequence of quartzites and mafic volcanics.

Previously a wide zone of gold mineralization to the west of this new mineralization was outlined over an area measuring 2,300m long and up to 700m wide, assaying up to 28.8 g/t Au and averaging 0.81 g/t Au, in a generally north-south orientation, however, the structural control of this mineralization was not understood.

Field Program 2017

A BoT program is underway at Ahvenjarvi. Assays are pending.

OTHER Projects

RUOPPA

The **Ruoppa** target comprises an open-ended 2.3 km long zone of anomalous gold samples, within an overall target greater than 7km long, which is contiguous with Agnico’s Kuotko deposit (1,800,000 tonnes grading 2.9 g/t Au; see Agnico Annual Report).

Field program 2016

Through further prospecting and reconnaissance mapping the **Ruoppa** target now comprises an open-ended 2.3 km long by 1.3 km wide zone of anomalous gold samples, within an overall target greater than 7km long. The mineralization is hosted by a swarm of felsic dykes occurring along the sheared/faulted margin of a granitoid body. The association of quartz-carbonate veins with free gold and high bismuth within felsic dykes is very similar to Agnico Eagle’s Kuotko gold deposit.

Additionally, a new target area with similar style mineralization has been identified up to 3 km northeast of this primary target area. Analytical results from 210 rock chip samples collected from outcrop, sub outcrop and angular boulders assaying from nil to 14.4 g/t Au including 25 samples which assayed greater

than 1.0 g/t Au. Detailed soil/till geochemical sampling was also conducted on two targets located 2.5 and 2.7 km east and northeast of the main **Ruoppa** prospect. The assay results were anomalous over a wide area demonstrating further work is warranted on these targets.

Field program 2017

Mapping, prospecting and trenching were conducted at Ruoppa. Results only returned anomalous values and overburden limited the program. Geochemical and geophysical surveys are planned for 2018.

RISTI

The **Risti** project covering approximately 15,000 ha is located east of the **Kutuvuoma** project. The property hosts the Kaarestunturi “paleo-placer” prospect, which was discovered by the Geological Survey of Finland (GTK) who completed various studies including 5 shallow diamond drill holes within a small area returning up to 5.2 g/t Au over 5.0m. Prospecting and reconnaissance mapping by Aurion in late 2016 resulted in the discovery of new, quartz vein hosted bonanza grade gold mineralization on the **Risti** Project.

Field program 2016

Further prospecting and reconnaissance mapping was conducted at **Risti** in 2016. Aurion discovered a 1150 m long by 700m wide area (“Aurora Zone” since renamed **Aamurusko**, the Finnish word for Aurora) of gold mineralization with an apparent NE-SW. The Aurora Zone lies within a broader area of approximately 2.3 km by 3.0 km hosting multiple quartz-tourmaline-Fe-Oxide veins, breccias and stockworks outlined in outcrop, sub outcrop and angular boulders.

A total of 525 rock grab samples from this area and including **Aamurusko** have assayed from nil to 1563.5 g/t Au, 36 samples of which assayed greater than 31 g/t Au (1 ounce per tonne). The average assay of all samples is 21.0 g/t Au (See News Release, February 1,2017). The samples reported herein are selective grab samples and are not necessarily representative of the real tenor of mineralization within the host rocks, however, they do demonstrate the abundance of coarse visible gold present within a robust gold mineralized system. Numerous quartz blocks within this trend are > 1 m in at least one dimension and locally reach up to 3.5 m by 3 m by 1 m in size.

Field program 2017

Detailed and regional prospecting, geological mapping, and soil sampling were conducted over the high grade **Aamurusko**, boulder field extending it to more than 1.4 km within a greater than 2.5 km wide Northeast-Southwest trending corridor with multiple new quartz vein (block) trends identified at **Risti**. The limits of these dimensions are constrained only by overburden cover and thus remain open to the Southwest, West and East.

Aurion has received assays for 2,757 rock outcrop, sub-outcrop and boulder samples across the entire Risti project, focussed on multiple regional unconformities over a distance of approximately 20 km. The average assay of all samples was 10.1 g/t Au. A total of 1,076 samples of predominantly large and angular quartz (+/- tourmaline +/- Fe-Oxide) blocks within the **Aamurusko** mineralized corridor comprising an area measuring 1.4 km long by 2.5 km wide. The average assay of all these samples was 24.7 g/t Au. Many of these samples contained abundant coarse visible gold.

The samples reported herein are selective grab samples and are not necessarily representative of the real tenor of mineralization within the host rocks, however, they do demonstrate the abundance of high grade

gold present within a robust gold mineralized system. To minimize sampling bias (or high-grading) Aurion geologists and prospectors are indiscriminately sampling quartz vein material.

The quartz vein blocks range from 0.1 m to >3 m wide, trend NE-SW and are hosted by quartzites and polymictic conglomerates of the Kumpu Group and mafic volcanics of the Sodankyla Group. The conglomerates are interpreted to be unconformably in contact with the mafic volcanics.

Aurion completed a detailed ground magnetic survey over the **Aamurusko** corridor as well as a 50-100 m spaced resistivity survey and 50-100 m spaced soil survey to aid in drill targeting.

A 5000 m drill program is currently underway. Assays will be released in Q1-2018..

SILA (formerly Silasselka)

The **Sila** target covers approximately 11km along the northern strike extension of the HSZ, within sheared meta-volcanics and meta-sediments sandwiched between two large intrusive bodies. The HSZ south of **Sila** hosts several gold occurrences, which have reported drill intersections of 4.5 g/t Au over 11.7m and 5.9 g/t Au over 7.5m (Agnico Annual report 2015).

Aurion has identified extensive mineralization in quartz veins and silicified meta-volcanic and meta-sedimentary rocks. Assays from 56 rock samples collected over a distance of 6.5km ranged from nil to 219 g/t Au and nil to 5,410 ppm As. Numerous till samples assayed up to 0.7 g/t Au within this trend and up to 1.12 g/t Au elsewhere on the property. The gold-arsenic association at **Sila**, is similar to the Kittila deposit.

Field program 2016

Limited prospecting, rock and soil geochemical sampling was conducted at **Sila** in 2016 with limited success.

Field program 2017

A 500 sample BoT survey was completed **Sila** project covering approximately 4.5 km along the northern strike extension of the HSZ.

Outa

Reconnaissance prospecting and mapping and geochemical surveys are planned at Outa which is primarily underlain by clastic sediments of the Kumpu Group deposited in a setting similar to Risti. Limited historical exploration work by the Geological Survey of Finland (GTK) documented possible paleo-placer style gold mineralization at the south end of the project. Shallow drilling by GTK intersected 121 g/t Au over 1.5 m. Most of the greater than 15 km long unconformity between Kumpu Group clastics and Kittila Group mafic volcanics within the Outa project area has never been explored.

Field program 2017

Two days prospecting was completed at Outa. Anomalous gold was identified in outcrop up to 0.65 g/t Au. A detailed work program is planned for 2018 looking for mineralization in an Aamurusko-like setting.

New Acquisitions

Two new projects were purchased from Tertiary Minerals plc (Tertiary) an AIM traded company building a strategic position in the fluorspar sector. The **Kaaresselkä** and **Kiekerömaa** gold projects were considered non-core assets by Tertiary.

Aurion paid £15,000 in cash and issued 83,072 shares to Tertiary for 100% interest in both projects subject to certain royalties including a Pre-Production Royalty of US\$1.00 to \$3.00/ounce gold following the definition of a NI 43-101 (or equivalent) Code compliant Inferred, Indicated and/or Measured Mineral Resource Estimate respectively, on either project. Tertiary will retain a 2% Net Smelter Returns Royalty (NSR) on all future gold production from either property of which Aurion can purchase 50% of the NSR from Tertiary for USD\$1,000,000 at any time prior to commencement of commercial production on either project.

Kaaresselkä Project

Located approximately 4 km south-southwest of **Risti**, the 315 ha **Kaaresselkä** project comprises multiple shear zone hosted gold zones that are up to 16 m wide and 650 m long, adjacent to the Sirkka Shear Zone, a major regional deformation zone, that is host to more than 45 gold prospects. Multiple high grade drill intercepts including 11.0 g/t Au over 4.9 m, 13.5 g/t Au over 2.75 m, and 45.0 g/t Au over 2.0 m have been reported. Mineralization there was initially discovered by GTK who subsequently did extensive geochemical and geophysical surveying, trenching and diamond drilling. Tertiary acquired the project by staking in 2003 and subsequently completed limited geochemical and geophysical surveys followed by drilling. No exploration has been conducted since 2004. All mineralized zones remain open along strike and down dip.

Field program 2017

Compilation work is underway. A new gold prospect called K2 was identified approximately 1.0 km to the north. There large an angular sub cropping quartz blocks assayed up to 166.0 g/t Au over a 110 m distance. Trenching is planned for 2018.

Kiekerömaa Project

Located approximately 7 km south-southwest from **Kutuvuoma**, the 840 ha **Kiekerömaa** project hosts gold mineralization over a strike length of 300 m. The prospect was discovered by Outokumpu Oy in the late 1990s while exploring for base metals. Tertiary acquired the prospect in 2003 by staking and completed a small drill program in 2011. Historic drill intercepts from limited drilling by Outokumpu and Tertiary include 5.8 g/t Au over 5.0 m, 7.4 g/t Au over 2.0 m and 3.6 g/t Au over 4.6 m. The mineralization remains open in all directions.

UNITED STATES

BULL

On January 6, 2011, the Company signed an Option Agreement with Genesis, whereby it has an option to purchase a 100% interest in 16 unpatented claims, subject to a 2% NSR, by making annual cash payments starting at US\$10,000 (paid) increasing to a maximum US\$125,000 beginning in year 6. The option to purchase can be executed at any time by making a one-time US\$3,000,000 cash payment less any payments already made. The Company also staked an additional 283 claims covering prospective geology surrounding these claims.

On November 15, 2012, the Company signed a definitive "Exploration, Development and Mine Operating" agreement with Midway Gold US Inc. ("Midway") on the **Bull** project. Under the terms of the agreement Midway can earn an initial 50% interest by completing \$2,000,000 in exploration expenditures over 5 years, upon which it can elect to either declare a 50-50 agreement or spend a further \$2,000,000 over 2 years to earn an additional 20% for a total 70% interest. Midway can also earn an additional 5% (75% total) by arranging mine financing. Midway will also maintain the underlying Option Agreement and make all claims maintenance fees through the agreement. Midway also reimbursed the Company for claims maintenance fees paid in September 2012, of approximately \$53,000. On October 18, 2016, the Company received notice of termination of the Exploration, Development and Mine Operating Agreement with Midway.

On December 17, 2015, the Company signed a Letter Agreement to amend the terms of the Bull Property Option Agreement with Genesis. Under the terms of the amendment, the lease payment for 2016 will be reduced to US\$10,000 and the lease payments for the years 2017 through 2027 will remain at US\$125,000 per year.

On November 5, 2016, the Company signed a Letter Agreement to amend the terms of the Bull Property Option Agreement with Genesis for the second time. Under the terms of the amendment, the lease payment for 2017 will be waived and the lease payments for the years 2018 through 2027 will remain at US\$125,000 per year.

The **Bull** property is located in east-central Nevada, approximately 31 km southeast of Eureka, on the southern extension of the prolific Battle Mountain-Eureka Trend, and hosts several small outcrops of gold-bearing jasperoid in a shallow pediment at the contact between the Joanna Limestone and Chainman Shale. In 1992, BHP drilled 7 shallow reverse circulation holes. The best intercept was 3 m of 2.05 g/t Au within a 9.15 m intercept grading 1.15 g/t Au starting at approximately 15 m below the surface. Gold mineralization is associated with low silver, high antimony, arsenic and mercury values typical of the geochemical signature in Carlin-style mineral deposits. The area characterized by shallow cover amenable to surface geochemistry and geophysics.

MEXICO

The Company abandoned its exploration activities in Mexico during 2013 and all associated costs were written down however the Company continues to keep in good standing two mineral concessions that were part of the original land position and purchased from a private individual in 2010.

The Company has no immediate plans to restart operations in Mexico. Costs associated with maintaining the two mineral concessions are written down each year until such time as the Company decides to recommence exploration activities.

Qualified Person

Mike Basha, P. Eng., P. Geo., President and CEO of the Company, a Qualified Person as defined by NI43-101, is responsible for the preparation of the foregoing property reports.

Selected Annual Financial Information

	2016	2015	2014
	\$	\$	\$
Total income	53,592	32,070	11,490
Operating expenses	834,004	1,353,238	1,084,406
Net loss	780,412	1,321,168	1,072,916
Loss per share	0.02	0.03	0.03
Total assets	3,789,940	1,628,667	2,476,438
Long term liabilities	-	-	-
Dividends	-	-	-

Results of Operations

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2017	2016	2017	2016
	\$	\$	\$	\$
General and Administrative	139,733	30,891	336,090	105,710
Wages and benefits	95,762	35,860	270,491	116,332
Consulting fees	2,625	7,500	15,825	22,350
Professional fees	46,996	11,814	102,400	37,285
Share based payments	-	155,796	3,144,110	301,694
Write-down of exploration and evaluation assets	79,304	6,246	121,811	11,293
Accounting	8,311	1,690	24,615	5,666
Depreciation	11,437	639	16,500	2,359
Interest and bank charges	3,164	12,900	7,134	32,325
Property investigation costs	-	-	-	-
Unrealized (gain) loss on marketable securities	(5,924)	2,350	(46,218)	2,350
Foreign exchange (gain) loss	4,206	940	(16,357)	7,882
Gain on sale of marketable securities	-	-	-	(3,891)
	385,613	266,626	3,976,401	641,355
Investment and other income	20,871	21,893	51,784	54,402

-Write-down of exploration and evaluation assets is higher by \$110,518 for the nine months ended September 30, 2017 compared to the nine months ended September 30, 2016 and higher by \$73,058 for the three months ended September 30, 2017 compared to the three months ended September 30, 2016. This is due to mainly to the write down of expenditures related to properties in Finland that the Company felt no longer held merit for future exploration.

- Wages and benefits are higher by \$154,159 for the nine months ended September 30, 2017 compared to the nine months ended September 30, 2016 and higher by \$59,902 for the three months ended September 30, 2017 compared to the three months ended September 30, 2016. This is due mainly to an increase in management salaries and new hires for the field season in the current year.

- General and administrative costs are higher by \$230,380 for the nine months ended September 30, 2017 compared to the nine months ended September 30, 2016 and higher by \$108,842 for the three months ended June 30, 2017 compared to the three months ended September 30, 2016. This is due mainly to increased operating costs associated with corporate travel, marketing and attendance at conferences in the current year.

- Consulting fees are lower by \$6,525 for the nine months ended September 30, 2017 compared to the nine months ended September 30, 2016 and lower by \$4,875 for the three months ended September 30, 2017 compared to the three months ended September 30, 2016. This is due to lower fees charged by the CFO during the current quarter.

-Professional fees are higher by \$65,115 for the nine months ended September 30, 2017 compared to the nine months ended September 30, 2016 and higher by \$35,182 for the three months ended September 30, 2017 compared to the three months ended September 30, 2016 which is due mainly to legal fees incurred in the current year associated with general corporate matters and property agreements.

-Share based payments expense is higher by \$2,842,416 for the nine months ended September 30, 2017 compared to the nine months ended September 30, 2016 and lower by \$155,796 for the three months ended September 30, 2017 compared to the three months ended September 30, 2016. This is due to a considerable increase in the fair market value of stock options issued to Directors, officers and consultants in the current year compared to the prior year.

- Total expenses are higher by \$3,335,046 for the nine months ended September 30, 2017 compared to the nine months ended September 30, 2016 and higher by \$118,987 for the three months ended September 30, 2017 compared to the three months ended September 30, 2016 mainly due to higher share-based payments and general increased activity in the current year.

-Investment and other income was lower by \$2,618 for the nine months ended September 30, 2017 compared to the nine months ended September 30, 2016 and lower by \$1,022 for the three months ended September 30, 2017 compared to the three months ended September 30, 2016. Interest income is higher in the current year due to interest earned on term deposits compared to higher income recorded in the prior year for administration fee income paid to the Company by its exploration partner.

Quarterly Information

	(\$) Write-down of exploration and evaluation assets	(\$) Other expenses	(\$) Interest & Other Income	(\$) Net Loss	(\$) Basic & Diluted Loss per Share
IFRS					
Q3 - September 30, 2017	79,304	306,309	(20,871)	(364,742)	(0.006)
Q2 - June 30, 2017	5,071	3,431,119	(25,147)	(3,411,044)	(0.056)
Q1 - March 31, 2017	37,437	117,160	(5,766)	(148,831)	(0.003)
Q4 - December 31, 2016	221	192,428	(809)	(193,458)	(0.004)
Q3 - September 30, 2016	6,246	260,379	21,894	(244,731)	(0.005)
Q2 - June 30, 2016	995	103,236	17,776	(86,455)	(0.002)
Q1 - March 31, 2016	4,052	266,447	14,731	(255,768)	(0.006)
Q4 - December 31, 2015	11,977	126,787	19,734	(119,030)	(0.003)

Financial Condition / Liquidity / Capital Resources

The Company had cash of \$16,538,072 at September 30, 2017 compared to cash of \$666,663 as at December 31, 2016. At September 30, 2017, the Company held short-term investments of \$5,561,748 in interest bearing deposit accounts and Guaranteed Income Certificates compared to \$526,748 at December 31, 2016.

On February 3, 2017, the Company issued 50,000 common shares pursuant to the exercise of stock options for gross proceeds of \$13,000 (\$0.26 per share). The Company also recorded a fair value transfer between share-based payments reserve and share capital of \$ 82,690 in connection with the exercise.

On February 24, 2017, the Company issued 5,783,997 common shares at \$1.50 per share for gross proceeds of \$8,675,996 pursuant to a non-brokered private placement. With respect to this transaction, cash finders' fees of \$520,560, being 6% of the proceeds were paid and 347,039 finders warrants were issued, being 6% of the number of common shares issued. The fair value of the finders' warrants granted was estimated at \$458,763 (\$1.32 per warrant) based on the Black-Scholes option pricing model, with the following assumptions: risk-free interest rate of .75%, volatility of 200%, dividend yield of 0%, forfeiture rate of 0%, and an expected life of 2 years. The Company incurred other costs of \$ 59,140 for total share issuance costs in connection with the non- brokered private placement of \$1,037,963.

On March 14, 2017, the Company issued 83,072 common shares to Tertiary valued at \$1.68 per share (total value of \$139,561) for the purchase of two gold projects from Tertiary pursuant to the terms of a purchase agreement dated December 1, 2016 (Note 7(c)).

On March 27, 2017, the Company issued 25,000 common shares pursuant to the exercise of stock options for gross proceeds of \$6,250 (\$0.25 per share). The Company also recorded a fair value transfer between share-based payments reserve and share capital of \$12,983 in connection with the exercise.

On April 3, 2017, the Company issued 575,000 common shares pursuant to the exercise of stock options for gross proceeds of \$76,750 (\$0.13 per share). The Company also recorded a fair value transfer between share-based payments reserve and share capital of \$45,672 in connection with the exercise.

On April 12, 2017, the Company granted 2,175,000 stock options to directors, officers, employees and consultants, exercisable at a price of \$1.75 per shares until April 12, 2022. The fair value of the stock options granted was estimated at \$3,144,110 (\$1.45 per option) based on the Black-Scholes option pricing model, with the following assumptions: risk-free interest rate of .9%, volatility of 147.9%, dividend yield of 0%, forfeiture rate of 0%, and an expected life of 5 years.

On September 13, 2017, the Company issued 6,853,500 common shares at \$2.32 per share for gross proceeds of \$15,900,120 pursuant to a non-brokered private placement. The Company incurred share issuance costs of \$ 45,830 in connection with the non- brokered private placement.

On September 14, 2017, the Company issued 17,766 common shares pursuant to the exercise of warrants for gross proceeds of \$26,649 (\$1.50 per share). The Company also recorded a fair value transfer between share-based payments reserve and share capital of \$23,485 in connection with the exercise.

On January 19, 2016, the Company granted 2,700,000 fully vested stock options to directors, officers and consultants at an exercise price of \$0.10 per share.

On April 29, 2016, the Company issued 1,476,500 common shares valued at \$0.13 per share as a finders' fee for the B2Gold agreement.

On May 20, 2016, the Company issued 2,500,000 common shares to Dragon valued at \$0.14 per share as the final instalment of shares due for the purchase of the Kutuvuoma and Sila projects in Finland.

On July 1, 2016, the Company granted 600,000 fully vested stock options to directors, officers and consultants at an exercise price of \$0.26 per share.

On August 8, 2016, the Company issued 100,000 common shares at a value of \$0.10 per share for the exercise of stock options.

On September 23, 2016, the Company issued 2,562,000 common shares at a value of \$0.40 per share pursuant to a brokered private placement. A cash fee of 6% of the proceeds was paid with respect to this transaction.

On September 28, 2016, the Company issued 3,650,000 common shares at a value of \$0.40 per share pursuant to a non-brokered private placement.

On December 23, 2016, the Company issued 137,500 common shares at a value of \$0.25 per share for the exercise of stock options.

Outstanding Share Data

As at November 29, 2017, the following were outstanding:

68,915,726 common shares

-Nil- share warrants

329,273 finders' warrants

5,075,000 stock options

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Transactions with Related Parties

The following represents a summary of transactions with key management of companies controlled by key management of the Company:

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2017	2016	2017	2016
	\$	\$	\$	\$
Paid to D.R. Loveys & Associates Inc.,				
a company controlled by the CFO:				
Accounting and management consulting services provided by David Loveys	1,800	7,500	15,000	23,350
Amounts expensed as:				
Consulting Fees	1,800	7,500	15,000	23,350
Paid to Goodland Buckingham LLP , a company				
in which a Corporate Director is a partner:				
Legal services provided by Dennis Clarke	-	1,000	3,185	1,000
Amounts expensed as:				
Professional fees	-	1,000	3,185	1,000
Compensation for key management				
personnel not included above:				
Michael Basha	42,500	32,500	364,400	124,500
David Loveys	-	-	108,450	16,200
Dennis Clarke	-	-	108,450	16,200
	42,500	32,500	581,300	156,900
Amounts expensed as:				
Salary and other short term benefits for the CEO (expensed)	42,500	19,500	147,500	97,500
Share-based compensation (expensed)	-	-	433,800	59,400
Capitalized in exploration and evaluation assets	-	13,000	-	-
	42,500	32,500	581,300	156,900
Received from a shareholder,				
	-	65,000	-	170,000
Amounts disclosed as:				
Promissory Notes	-	65,000	-	170,000

New Accounting Policies

The Company adopted certain new accounting standards and amendments during the year ended December 31, 2016, none of which had a material impact on the Company's financial statements.

The IASB intends to replace IAS 39 Financial Instruments: Recognition and Measurement in its entirety with IFRS 9 Financial Instruments ("IFRS 9") which is intended to reduce the complexity in the classification and measurement of financial instruments. IFRS 9 is effective for periods beginning on or after January 1, 2018. The Company is evaluating the impact the final standard is expected to have on its consolidated financial statements.

IFRS 16 Leases was issued in January 2016 and is effective for periods beginning on or after January 1, 2019. It provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. The Company is evaluating the impact the final standard is expected to have on its consolidated financial statements.

Financial Risk Factors

The Company has exposure to credit risk, liquidity risk and market risk. The Company's Board of Directors has the overall responsibility for the oversight of these risks and reviews the Company's policies on an ongoing basis to ensure that these risks are appropriately managed, which are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to receivables, which is mainly comprised of government tax refunds. Management believes that the credit risk concentration with respect to financial instruments included in the receivables is not significant. The Company holds cash and invests it in interest bearing deposit accounts at its financial institution. Management believes that the associated credit risk for its invested cash is low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. As at September 30, 2017, the Company had cash of \$16,538,072 to settle current liabilities of \$695,775. To the extent that the Company does not believe it has sufficient liquidity to meet its current obligations, the Board of Directors considers securing additional funds through equity or partnering transactions. All of the Company's financial liabilities are short-term in nature and are subject to normal trade terms.

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates, and equity prices will affect the Company's income or the value of its financial instruments.

(a) Interest rate risk – The Company has cash balances subject to interest rate risk. The Company's current policy is to invest excess cash in either interest bearing deposit accounts or short-term deposit certificates issued by its financial institutions. As of September 30, 2017, the Company held deposits in a short-term

savings accounts at a variable interest rate. A 0.5% change in interest rates would change the Company's net loss by approximately \$2,781. Management believes it has minimal exposure to interest rate risk.

(b) Foreign exchange risk - The Company transacts certain business in Euro, Swedish Kroner, U.S. Dollars and Mexican Pesos, and therefore is subject to foreign exchange risk on certain receivables, trade payables and cash balances. The Company attempts to mitigate these risks by managing its foreign exchange inflows and outflows. No hedging instruments have been used by the Company, however, depending upon the nature and level of future foreign exchange transactions, consideration may be given to the use of hedging instruments. The Company believes that it adequately manages its foreign exchange risk, and the risk is minimal. The following table shows the net exposures in US dollars, Swedish Kroner and Euro.

	US\$	Euro	SEK
Cash	3,295	496,363	550,000
Trade payables	-	(222,995)	(102,588)
Net currency exposure	3,295	273,368	447,412

Based on the above currency exposures, a 10% change in the value of each currency to the value of the Canadian dollar would impact the Company's net loss by:

	US\$	Euro	SEK
	330	27,337	44,741

(c) Equity risk – The Company is exposed to market risk because of the fluctuating values of its publicly traded marketable securities. The Company has no control over these fluctuations and does not hedge its investments. Based on the September 30, 2017 value of the marketable securities every 10% increase or decrease in the share prices of these companies would have impacted the loss for the period, up or down, by approximately \$40,817 before income taxes.

The Company has identified the following critical accounting policies under which significant judgments, estimates and assumptions are made and where actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods:

Exploration and evaluation assets

The Company makes certain estimates and assumptions regarding the recoverability of the carrying values of exploration and evaluation assets. These assumptions are changed when conditions exist that indicate that the carrying value may be impaired, at which time an impairment loss is recorded.

Receivables

The Company reviews its receivables on a regular basis and makes estimates of any amounts which are not expected to be collected. If such doubt exists, an allowance for doubtful accounts will be recorded.

Property and equipment

The Company reviews the estimated useful lives of property and equipment at the end of each reporting period to ensure assumptions are still valid.

Share-based payments

The Company makes certain estimates and assumptions when calculating the fair values of stock options and warrants granted. The significant assumptions used include estimates of expected volatility, expected life and the expected risk-free rate of return. Changes in these assumptions may result in a material change to the expense recorded for the issuance of stock options and warrants.

Functional currency

The Company has determined the functional currency of each entity is the Canadian dollar. Determination of functional currency may involve certain judgments to determine the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

Going concern

The Company must assess its ability to continue as a going concern. Factors that affect this determination include current cash and investments, budgeted expenditures for future periods and the conditions of the market for exploration companies.

Management's Responsibility for Financial Statements

The Board of Directors carries out its responsibility for the consolidated financial statements primarily through the audit committee which is composed primarily of independent, non-executive directors who meet periodically with management and auditors to review financial reporting and internal control matters.

Risks and Uncertainties

The Company is principally involved in mineral exploration which is an inherently high-risk activity. Exploration is also capital intensive and the Company has no sources of funding other than exploration partner financing arrangements with other mining and exploration companies and equity financing. Only the skills of management and staff in mineral exploration and exploration financing serve to mitigate these risks. The ability of the Company to continue operations into the future is dependent upon continuing to obtain favourable results from its exploration activities, which will affect its ability to attract partners and to raise financing.

The Company is currently evaluating its properties and looking for new business opportunities and has a risk of not finding any property or investment that may lead to profitable operations. There can be no assurances that the shareholders will realize any profits from their investment in the Company and may lose their entire investment.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and may be affected by undetected defects. Exploration activity is also dependent on the laws of local governments which may change from time to time, and may have an effect on the Company's exploration programs.

Additional Information

The Company's shares are traded on the TSX Venture Exchange under the stock symbol AU. Financial statements, press releases issued by the Company and all other regulatory filings, including those issued during the nine months ended September 30, 2017, are available through www.sedar.com.