

**DECADE RESOURCES LTD.**  
MANAGEMENT DISCUSSION AND ANALYSIS (“MD&A”)  
For the three months ended July 31, 2017

**INTRODUCTION**

Decade Resources Ltd. (“Decade” or “the Company”) is an exploration stage company engaged in the exploration and evaluation of a portfolio of mineral properties located in the Province of British Columbia, Canada. The Company’s common shares are listed for trading on the TSX Venture Exchange (“TSX-V”) under the symbol “DEC”.

This discussion and analysis of financial position, results of operations and cash flows of Decade Resources Ltd. for the three months ended July 31, 2017 includes information up to and including September 26, 2017 and should be read in conjunction with the Company’s unaudited condensed interim financial statements for the three months ended July 31, 2017 and the Company’s audited annual financial statements for the years ended April 30, 2017 and 2016. All the financial statements were prepared using International Financial Reporting Standards (“IFRS”).

The reader is encouraged to review the Company’s statutory filings at [www.sedar.com](http://www.sedar.com) and to review other information about the Company on its website at [www.decaderesources.ca](http://www.decaderesources.ca).

**CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS**

This MD&A includes certain forward-looking statements or information. All statements other than statements of historical fact included in this MD&A including statements relating to the potential mineralization or geological merits of the Company’s mineral properties and the future plans, objectives or expectations of the Company are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include among other things, statements regarding future commodity pricing, estimation of mineral reserves and resources, timing and amounts of estimated exploration expenditures and capital expenditures, costs and timing of the exploration and development of new deposits, success of exploration activities, permitting time lines, future currency exchange rates, requirements for additional capital, government regulation of mining operations, environmental risks, anticipated reclamation expenses, timing and possible outcome of pending litigation, timing and expected completion of property acquisitions or dispositions, and title disputes. They may also include statements with respect to the Company’s mineral discoveries, plans, out-look and business strategy. The words “may”, “would”, “could”, “should”, “will”, “likely”, “expect”, “anticipate”, “intend”, “estimate”, “plan”, “forecast”, “project” and “believe” or other similar words and phrases are intended to identify forward-looking information.

Forward-looking statements are predictions based upon current expectations and involve known and unknown risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

## **CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS**

Important factors that could cause actual results to differ materially from the Company's plans or expectations include risks relating to the actual results of exploration programs, fluctuating commodity prices, the possibility of equipment breakdowns and delays, the availability of necessary exploration equipment including drill rigs, exploration cost overruns, general economic or business conditions, regulatory changes, and the timeliness of government or regulatory approvals to conduct planned exploration work. Additional factors that could cause actual results to differ materially from the Company's plans or expectations include political events, fluctuations in mineralization grade, geological, technical, mining or processing problems, future profitability on production, the ability to raise sufficient capital to fund exploration or production, litigation, legislative, environmental and other judicial, regulatory, political and competitive developments, inability to obtain permits, general volatility in the equity and debt markets, accidents and labour disputes and the availability of qualified personnel.

Although the Company has attempted to identify all of the factors that may affect our forward-looking statements or information, this list of the factors is not exhaustive. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks and uncertainties detailed throughout this MD&A.

## **OVERALL PERFORMANCE**

### **Red Cliff**

The Red Cliff property is a former producing copper and gold property located 25 miles north of Stewart, B.C. in the Skeena Mining Division of British Columbia. It consists of 8 mineral claims.

On October 28, 2008, the Company entered into an option agreement with Mountain Boy Minerals Ltd. ("Mountain Boy"), a company with directors in common with the Company to acquire up to a 60% interest in the Red Cliff property. In order to earn the 60% interest Decade was required to incur exploration expenditures of \$1,250,000 over three years.

The Company incurred all the required exploration expenditures to earn its 60% interest in the Red Cliff property and pursuant to a joint venture agreement the Red Cliff property was operated on a joint venture basis with Mountain Boy.

On October 31, 2011, the Company was informed by Mountain Boy that it could not fund its share of the Red Cliff exploration expenditures and thereby would have its interest diluted under the formula set out in the joint venture agreement. At October 31, 2011, the Company was owed \$548,285 in exploration expenditures by Mountain Boy. Effective November 1, 2011, Mountain Boy agreed to dilute its interest in the Red Cliff property by 5% in lieu of paying \$435,785. Decade's interest was increased to 65% and Decade was paid \$112,500 by Mountain Boy.

**Red Cliff – (cont'd)**

During the three months ended July 31, 2017, the Company charged \$138,430 in exploration expenditures to Mountain Boy. During the year ended April 30, 2017, the Company charged \$169,098 in exploration expenditures to Mountain Boy.

At July 31, 2017, Mountain Boy owed the Company \$241,217 (April 30, 2017: \$102,787) in exploration expenditures which is included in accounts receivable.

**2009 Drilling Program**

Decade's fieldwork identified premier porphyry rocks on the property. The premier porphyry rocks are associated with the mineralization of the Silbak Premier mine located eight kilometres from Red Cliff on the west side of the Bear River Ridge. The Red Cliff property is on the east side of the ridge. The Silbak-Premier mine produced over two million ounces of gold.

From June to November 2009, Decade completed a total of 5,227 metres of drilling in 36 holes on drill roads and drill pads constructed during the field season. Drilling tested the Montrose zone in three areas, namely north of the previous mining activities in Lydden Creek, in the Lydden Creek canyon just west of the previous mining activities and along the possible south extension. Drilling extended the zone well below the lowest working as well as indicating that it extends to the north from the adit in Lydden Creek. In addition, drilling intersected a wide zone of intensely silicified and pyritic rocks to the west of the Montrose zone.

Some of the drilling intersection highlights on the Montrose zone include values up to 7.5 g/t gold over 32.5 metres in DDH-2009-MON-1, 4.17 g/t gold over 48.48 metres in DDH-2009-MON-2, 7.3 g/t gold over 28.4 metres in DDH-2009-MON-3, 5.78 g/t gold over 28.17 metres in DDH-2009-MON-4, 4.75 g/t gold over 39.63 metres in DDH-2009-MON-5 and 20.87 g/t gold over 24.7 metres in DDH-2009-MON-6. This drilling indicated a zone of higher grade mineralization that would be defined in future programs. Full assay results can be found on Decade's website.

**2010 Drilling Program**

On May 26, 2010, the Company received the necessary government permits for the 2010 exploration program on the Red Cliff property. Decade commenced a 7,000 metre drill program in accordance with recommendations included in an independent NI 43-101 report.

The program recommended drilling to extend the Montrose zone both to the south and in the area of 2009 drilling, drilling to extend the Red Cliff zone above and west of the Red Cliff underground workings, drilling below the south extension of the Montrose zone and drilling between the Montrose and Red Cliff zones to check for continuity of the zones in talus covered areas.

**Red Cliff – (cont'd)**

*2010 Drilling Program – (cont'd)*

Drilling was conducted at the south end of the property in the area of the Red Cliff underground workings, 1.5 km from 2009 discovery holes DDH-MON-2009-1 to DDH-2009-Mon-11. The holes were drilled off a drill station that has been created at the top of cliffs approximately 100 metres west of and 200 metres above the underground workings. All holes intersected zones varying from 3 to 17.68 metres long, some of which contain chalcopyrite-pyrite-fine visible gold mineralization in quartz veins and veinlets that appear to be identical to the Montrose mineralization intersected in discovery holes DDH-2009-Mon-1 to DDH-2009-Mon-11.

Based on surface exploration conducted early in 2010, Decade believes that the Red Cliff zone initially trends northwest in the area of the workings but flexes into a north trending zone and is part of a 1.5 km zone that includes the Montrose zone to the north. Rusty outcrop exposures occur midway between the two previously explored portions of the mineralized zone are believed to be surface expressions of the gold bearing zone.

An initial drill program comprising 28 diamond drill holes was completed on the Montrose zone on the north side of Lydden Creek. The drill holes were on 5 different panels testing south of and beneath the area of drilling in 2009. Most of drilling was from pads 60 metres below and 100 metres south of the 2009 drill pads. The 2010-UMon-1 to 4 holes were collared 20 metres south of DDH-2009-Mon-5 and 6 and tested south of these holes.

The interval in DDH-UMon-2010-1 is 2.18 g/t gold if the 0.3 interval of 2847 g/t gold is excluded. The results of DDH-2010-UMon-1 confirm the high grade nature of the structure in the area of DDH-2009-Mon-5 and 6. DDH-2009-Mon-6 intersected 24.7 metres grading 20.87 grams per tonne gold with 2.13 metres averaging 142.2 grams /tonne gold. The intersections are believed to represent 70% of true width.

A second drill program comprising 18 diamond drill holes was completed and this drilling explored the area of DDH-2010-MON-1 which returned 49.2 grams per tonne gold over 18.45 metres, 28.4 metres of 7.3 grams per tonne gold in DDH-MON-2009-3 and 24.7 metres grading 20.87 grams per tonne gold in DDH-MON-2009-6. This drilling expanded the area of high grade gold mineralization south, north and to depth and provided information that will allow the joint venture partners to make a decision on underground exploration.

Full assay results for the 2010 drilling program and pictures of the intersected mineralization can be viewed on the Company's website.

**Red Cliff – (cont'd)**

*2011 Drilling Program*

The Company's modeling indicates there are two different gold bearing zones rather than a single zone along the north side of Lydden Creek, as first thought. In addition, it has been determined that the upper Montrose Zone strikes southwest-northeast, dipping at shallow angles to the northwest, not striking to the northwest and dipping to the east as earlier interpreted. Indications are that several of the holes drilled in 2010 at Red Cliff were drilled parallel to or beneath the zone due to this early misinterpretation. Two plan maps outlining the previous and recent interpretations of the Montrose Zone have been added to the Company's website.

Previous modeling work indicates that a 2007 drill hole completed 200 metres south of the present drilling is the extension of Upper Montrose zone. This hole intersected 12.8 metres of 2.75 g/t gold with a 3.05 m section assaying 9.22 g/t gold. This indicates that the Upper Montrose is at least 400 metres in strike length.

A total of 44 drill holes were completed on the Upper Montrose Zone during the 2011 exploration season to intersect below and southwest of DDH-MON-2009-1-6 and below the furthest southwest holes completed in the 2010 drilling. A photo showing the direction and location of 2010 drilling as well as the recent 2011 work is shown on the Company's website.

The Company has now received all of the assay results from the 2011 drill program completed on the Upper Montrose zone. The majority of the results show a continuation of high gold values. The results of the 2011 drilling program confirm that the zone does trend southwest-northeast and dips to the northwest. Detailed assay results are available on the Company's website.

Based on the 2011 drilling, the Upper Montrose zone is open along strike and down dip. The 2011 drilling has extended the Upper Montrose 100 metres to the south of previous drilling. DDH-MON-11-11 extends the mineralization 75 metres southwest of previously completed drilling, for a total strike length now exceeding 500 metres.

The 2011 field season extended the gold bearing zone 500 metres along strike and 250 metres of depth. It remains open in all directions. The 2011 drilling has greatly aided in defining the strike and dip of the Upper Montrose zone as well as its configuration.

Modeling of the data is continuing and has been very positive to date. Using a 0.5 g/t gold cutoff the modeling has shown that the Upper Montrose zone is 20-25 metres wide (true thickness) and has a depth of at least 250 metres.

*Gravimetric Assay Rechecks for Random Intervals for the 2010 – 2011 Drilling Indicates Increased Values Due to the Coarse Nature of the Gold*

On September 5, 2012, the Company provided an update on recheck gravimetric assays for high grade gold sections for 2010-2011 drilling for the Red Cliff project. The re-assaying indicated several intervals that showed consistent gold values. The greatest increase came in DDH-MON-2011-27 which increased 600 %.

**Red Cliff – (cont'd)**

*2012 Drilling Program – (cont'd)*

The 2012 Red Cliff drilling program was designed to test the Lower Montrose and Upper Montrose zones.

Exploration work in 2012 showed that the mineralization on the property consists of gold bearing zones within a 30 metre wide shear zone that has been followed for over 2 kilometres in a north-south direction along the property. Anomalous geochemical stream sediment samples to the north of present work indicate a potential for an additional kilometre of strike length. The Red Cliff copper-gold zone is present along the south end of this shear with the Chimney, Road and Waterpump zones in the middle and the Upper Montrose zone at the north end. Modeling of the Upper Montrose zone has shown that high grade gold zones occur as flat lying sections along the dip of the mineralization.

The 2012 drill program at Red Cliff was comprised of 73 drill holes and indicated the following:

- A wide zone of brecciated dyke with pyrite-minor chalcopyrite and massive hematite stringers along fractures 650 metres north of Lydden Creek.
- Surface mineralization at the Montrose Crown/Silver Crown boundary is identical to that intersected at a depth of 700 metres below surface.
- Three holes testing this area of mineralization all intersected a wide zone of brecciation with associated pyrite, hematite and chalcopyrite within fractures along this zone.
- The presence of several gold bearing zones along the 30-40 metre wide shear system hosting the Upper Montrose structure. One is associated with semi-massive chalcopyrite-pyrite veins and the other is associated with a chalcopyrite-pyrite stockwork.
- A deep gold bearing zone within a chalcopyrite-pyrite stockwork containing visible gold, that is 50 metres south and 100 metres below the 2009-2011 drilling

Due to the great depth extent of mineralization and great strike extent, the Company is confident that continued drilling will outline a significant gold deposit.

**Red Cliff – (cont'd)**

*NI 43-101 Technical Report on the Red Cliff Property*

On December 16, 2014, Decade announced the filing on SEDAR of a NI 43-101 report for the Red Cliff property. The National Instrument 43-101 report on the Red Cliff property prepared by Dr. Lawrence Dick, PhD, PGeo, states that a preliminary characterization of the mineralized system hosting gold at Red Cliff is as follows:

- Mineralization consists of gold-bearing zones that are hosted by a 30-metre-to-40-metre-wide, near-vertically dipping shear zone, which can be traced for over two kilometres, trending north-south, within the property.
- Gold-bearing mineralized zones, within the shear zone, have been intersected over a vertical distance of approximately 700 metres.
- Multiple gold-bearing mineralized zones have been identified within the wide shear zone.
- Gold is associated with abundant chalcopyrite and pyrite, most commonly in sulphide-bearing veins within the shear, as well as gold-bearing stockwork zones outside of the vein systems.
- Gold is associated with fine galena-sphalerite veinlets along fracture zones peripheral to the chalcopyrite-pyrite stockworks.
- Gold is associated with sparse chalcopyrite, pyrite, hematite and epidote in quartz veins.

Highlights of drilling along the 2.5 kilometre long shear zone outlined to date include some of the following gold intersection results:

- 10.63 grams per tonne gold over 12.2 metres of core length in DDH 2009 MON-2;
- 10.94 grams per tonne Au over 25.91 metres of core length in DDH 2010 MON-31;
- 43.91 grams per tonne Au over 7.47 metres of core length in DDH 2011 MON-11;
- 14.53 grams per tonne Au over 30.64 metres of core length in DDH 2011 MON-27;
- 10.85 grams per tonne Au over 10.28 metres of core length in DDH 2011 MON-29;
- 16.32 grams per tonne Au over 8.32 metres of core length in DDH 2011 MON-37;
- 62.51 grams per tonne Au over 4.27 metres of core length in DDH 2012 MON-03;
- 14.88 grams per tonne Au over 14.02 metres of core length in DDH 2012 MON-24

Complete results can be viewed in the NI 43-101 report on SEDAR.

*2016 Exploration Program*

On March 8, 2016, the Company announced that it had commenced geochemical sampling to establish continuity along the shear zone, particularly south of the exposed Waterpump zone. The Waterpump zone, which is on the south side of the Lydden Creek canyon, is about 100 metres southeast of the Montrose zone, which is on the north side of the canyon. The Montrose zone has been extensively drilled between 2009 and 2013, but the Waterpump zone has seen limited exploration.

**Red Cliff – (cont'd)**

*2016 Exploration Program – (cont'd)*

On May 24, 2016, the Company reported that it had completed the first phase of surface geochemical and rock sampling in areas that were exposed by melting snow. The first phase of surface geochemical sampling returned high gold in panned silt samples assaying up to 263.81 grams per tonne. Sampling consisted of gathering approximately 25 kilograms of creek material from three creeks that was screened to a 20-mesh size and then panned with the heavy portion analyzed for gold.

On September 20, 2016, the Company reported that the 2016 drill program had commenced to test the Waterpump zone.

The only description of the Waterpump zone that the Company has is from a 1988 assessment report (17465) filed with the Ministry of Mines. In this report, the description is based on sampling on a cliff face 30 metres above the Lydden Creek canyon floor. The description states:

- Adjacent to a two-to-three-metre-wide diorite dike which appears to be the locus for the mineralization, the alteration and mineralization become most intense.
- Outward from this dike, the alteration can be traced for roughly 10 metres, where it is accompanied by one to three finely disseminated pyrite.
- Immediately adjacent to the dike, the mineralization takes the form of a stock-work of crosscutting quartz pyrite veins one to three centimetres wide, which constitutes in places up to 20% of the rock.
- Within these veins, the pyrite is predominately coarse grained and is accompanied by minor amounts of chalcopyrite.

On March 16, 2017, the Company announced that it had received the ICP results from the 2016 drill program on the Red Cliff property. Drilling during 2016 was intended to intersect the Waterpump zone, located through previous work, at surface in the 100 to 200 metre deep Lydden Creek canyon and one historic drill hole completed in 1988. Exact locations of this historic work were not available to the Company and drill pads were located approximately 200 metres higher in elevation and west of the reported showings in Lydden Creek. Drilling intersected wide zones of silicified, pyritic rocks with minor chalcopyrite in 10 of the drill holes completed. Low gold values were obtained from the intersected zone. Upon comparing the previous ICP results from the Montrose zone (Waterpump-south extension) with the 2016 results, it appears that the drilling intersected the Waterloo zone.

Results from 2009-2012 drill programs on the north side of Lydden Creek indicate that the Waterloo zone consists of an epidote altered, silicified and pyritic zone carrying chalcopyrite but low gold values. It is up to 50 metres wide occurring along the west side of the Montrose zone. The lack of elevated lead, zinc and silver plus the presence of epidote indicate the intersection of the Waterloo zone. The Montrose zone is distinctive in that it contains elevated zinc, lead and silver along with gold.

**Red Cliff – (cont'd)**

*Decade Plans Metallurgical Testing for Montrose Core*

Decade will be conducting metallurgical testing on core from the Montrose zone. The drill hole selected is DDH-2012-61 which contains two different styles of gold-bearing mineralization. The total width of the drill intersection is 35.06 metres of 7.8 grams g/t gold, 9.04 g/t silver, 0.42% copper, 0.097% lead and 0.29% zinc at 173.93 to 208.99 metres. The hole was drilled at minus 75 degrees and the Company believes that the zone was approximately 15 metres in true width. Within the intersection, there is a zinc-rich portion carrying fine visible gold and a deeper copper-rich section with coarse visible gold. The attached table illustrates the values obtained.

From (m)	To (m)	Width (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)
173.93	190.24	16.31	7.41	10.04	0.38	0.25	0.55
200.54	208.99	8.45	18.11	14.04	0.94	0.01	0.05

Testing will include gravity and flotation methods for recovery of the gold and possibly the other metals.

It should be noted that the zone remains open along strike and to depth from the intersection in DDH-2012-61. It is also the deepest hole in this particular portion of the Montrose zone.

*2017 Exploration Program*

In May 2017, the 2017 exploration program commenced at Red Cliff.

Holes 1 and 2 of the 2017 drill program completed on the Montrose zone, north of Lydden Creek, have intersected a sheared and mineralized intrusive rock with stockworks of galena-sphalerite-chalcopyrite. Within the first hole, drilled at minus 55 degrees at right angles to the zone, a zone of sheared mineralized intrusive was intersected at 158.5 to 219.5 metres. The second hole from the same set-up, drilled at minus 60 degrees, intersected sheared and mineralized intrusive from 213 to 274 metres. Visible gold was noted within the numerous galena stringers within 259 metres and 264 metres within the second hole. Varying amounts of galena stringers are present within the entire mineralized interval. The mineralization within the above two holes is similar to that encountered in DDH-2011-27 (30.64 metres of 14.53 g/t Au). The reader is cautioned that the results for the 2017 holes have not been obtained and this comparison is for reference purposes due to similar lithologies and proximity to the 2011 drill hole. Photos of some of the mineralization and gold can be viewed on the Company's website.

True width of the zones appears to be at least 30 metres based on plotting the geology on a cross-section. These holes are some of the deepest testing the Montrose zone. Mineralization is open in all directions to these holes.

**Red Cliff – (cont'd)**

*2017 Exploration Program – (cont'd)*

The Company has completed a petrographic study which is greatly aiding the 2017 exploration program. Based on thin sections examination of mineralized rocks from both the Red Cliff zone and Montrose zone, the following information was obtained:

- Mineralization is associated with intrusions of porphyritic latite to trachyte;
- Late alteration-mineralization events led to the deposition of quartz, carbonates, pyrite, magnetite, chalcopyrite, galena, specularite, sphalerite and gold;
- The presence of magnetite and iron-rich chlorite as well as an undulating, wavy pattern of some of the veins indicate a high-temperature (hypothermal) environment.

Using this information, the Company has continued drilling holes which still contained the intrusive, whether it was mineralized or not. As a result, all holes on the Montrose zone were continued past areas where previous drilling would have been terminated. All three holes completed on the Montrose zone contain visible gold at depths deeper than expected. The three holes have tested a zone up to 150 metres in vertical height in an area that had not been tested previously.

Hole 3 was drilled at minus 50 degrees and at right angles to the zone was off the same set-up as Holes 1 and 2. It intersected almost 100 metres of weakly sheared and brecciated intrusive with mineral zonation occurring from 150 metres to 250 metres in depth. Along the upper intersection, weak disseminated pyrite is present with local quartz-amethyst-galena-sphalerite-chalcopyrite-pyrite stringers in zones up to five metres. At a core length of 163 metres, fine visible gold is noted in galena-sphalerite stringers. From the top mineralized zone, short galena-sphalerite sections are noted to 218 metres where the hole intersects an 18-metre section of quartz-amethyst-galena-sphalerite-chalcopyrite-pyrite stringers. At 227 metres and 229 metres, visible gold is noted within the galena-sphalerite veinlets. At the termination of the galena-sphalerite veinlets, chalcopyrite-pyrite veining is present along the bottom chill margin of the intrusive as well as the baked contact of the red tuff. The chalcopyrite-pyrite veining is present over a 10-metre length. True width of the intrusive appears to be at least 70 metres in DDH-Mon-17-3.

Drilling on Hole 5 on the Montrose zone has intersected a wide mineralized intrusive within red tuffs forming the Betty Creek formation. The drill hole collar is located 30 metres north and 25 metres higher in elevation relative to 2017 drill Holes 1 to 3. The hole tested the zone lower in elevation than the previous 2017 holes. Logging the core has indicated three main mineralized sections within the intrusive. Along the east edge, a zone of galena-sphalerite-chalcopyrite stringers occur in zones up to five metres wide. Near the west edge of the intrusive, another galena-sphalerite-chalcopyrite stringer zone is present. This grades into a chalcopyrite-pyrite zone along the west contact. Between the above zones, weakly pyritic intrusive is present. The fifth hole was drilled to test beneath some of the gold-bearing intersections found in the 2011 drilling program.

**Red Cliff – (cont'd)**

*2017 Exploration Program – (cont'd)*

On the Red Cliff zone, located 900 metres south of the Montrose drilling, the Company has completed three holes. The holes contain a 5 to 6 metre wide mineralized zone with strong chalcopyrite-pyrite within quartz veins and silicified intrusive.

*Red Cliff Extension*

On September 8, 2017, the Company was granted the option to acquire an 80% interest in the Red Cliff Extension Property. The property is subject to a 2% net smelter return royalty which may be reduced to 1% at any time after one year of commercial production for a payment of \$1,000,000. Consideration to earn the 80% interest is as follows:

*Cash payments:*

- i) \$5,000 and \$300,000 portable assessment credits on execution of the agreement;
- ii) a further \$10,000 on or before September 8, 2018;
- iii) a further \$20,000 on or before September 8, 2019.

*Exploration expenditures:*

- i) \$30,000 on or before September 8, 2018;
- ii) a further \$50,000 on or before September 8, 2019.

**Silver Crown**

On December 1, 2006, the Company entered into an option agreement to earn a 100% interest in the Silver Crown claim which adjoins the Red Cliff property to the north. The Company could earn a 100% interest in the Silver Crown claim by making an aggregate of \$1,500,000 in exploration expenditures on the property, by making cash payments totalling \$100,000 and by issuing 60,000 common shares. The Silver Crown property is subject to a 2% net smelter return royalty in favour of the optionors.

The Company has completed 9 drill holes totalling over 4,500 ft. on the Silver Crown property. Total exploration and development costs incurred on the Silver Crown property to July 31, 2017 are \$569,047. The Company received B.C. Mining Tax credits for 2007 and 2008 totalling \$70,251 for exploration and development work done on the Silver Crown property in those years.

The Company has made all the cash and common share option payments required under the option agreement. In 2012, the Company paid an extension fee of \$10,000 to extend the term of the exploration expenditures required to November 30, 2012. The Company and the optionors have agreed to further extend the exploration expenditures date to December 31, 2017.

The Company carried out a program of geochemical sampling on the Silver Crown claim adjacent to and north of the Montrose zone at Red Cliff. This soil and silt sampling program was completed in an area of extensive talus and soil cover to further define possible extensions to the Montrose zone at Red Cliff.

## **Goat**

On November 29, 2016, the Company released ICP (inductively coupled plasma) results for a 2016 surface program on the Goat property. The Goat property consists of five mineral claims totalling 1,117.59 hectares in the Golden Triangle district of British Columbia. The claims are contiguous and are located about 34 kilometres northeast of Stewart, B.C., in the headwaters of the Goat and North Goat Glacier valleys, tributaries to Surprise Creek.

Work during 2016 was primarily focused on exploration for Kuroko type VMS (volcanogenic massive sulphide) deposits along the northern and western part of the property. Several different mineralization types were indicated from this work.

Highlights of the sampling include:

- The presence of Kuroko-type VMS mineralization along the western portion of the property;
- The presence of high-grade silver with gold associated with lead-zinc-bearing rocks along the northern part of the property.

The sampling was carried out on float rocks in the valleys in order to cover as great an area as possible. Sampling of a calcareous mudstone with finely laminated and bedded sulphides yielded 33.4 grams per tonne Ag, 0.7 per cent Pb and 6.5 per cent Zn. Sampling of dacitic rocks gave a high of 115.7 grams per tonne Ag, 0.5 per cent Pb and 6.5 per cent Zn within a breccia with strong hydrozincite staining. Numerous hydrozincite stained boulders are present within a moraine along the south part of the property and are derived from the western portion of the property.

A total of nine samples collected in the northern part of the property yielded 0.1 gram per tonne to 2.3 grams per tonne Au, 6.7 grams per tonne to 100 grams per tonne Ag, with 0.02% to 0.65% Pb and 0.085% to 2.76% Zn.

Work in 2017 will focus on locating the area of mineralization, both the VMS source, as well as silver with gold zone. This will include further prospecting, mapping and possible drilling.

### **2017 Exploration Program**

The Company conducted surface prospecting in 2017 in order to locate the source of Kuroko-type VMS (volcanogenic massive sulphide) boulders located in a 2012 program.

### **Surprise Creek**

On September 8, 2017, the Company was granted the option to acquire a 60% interest in the Surprise Creek Property. The property is subject to a 2% net smelter return royalty which may be reduced to 1% at any time after one year of commercial production for a payment of \$1,000,000. Consideration to earn the 60% interest is as follows:

*Cash payments:*

- i) \$5,000 and \$300,000 portable assessment credits on execution of the agreement;
- ii) a further \$15,000 on or before September 8, 2018;
- iii) a further \$20,000 on or before September 8, 2019.

*Exploration expenditures:*

- i) \$50,000 on or before September 8, 2018;
- ii) a further \$70,000 on or before September 8, 2019.

### **Slider**

On January 26, 2015, the Company acquired 11 mineral claims known as the Slider claims situated in the Skeena Mining Division in the Province of British Columbia for \$10,000.

During the year ended April 30, 2017, the Company abandoned the Slider claims and recorded a write-off of exploration and evaluation assets of \$10,000.

### **PCU Claims**

On September 19, 2016, the Company staked 6 mineral claims known as the PCU claims situated in the Skeena Mining Division in the Province of British Columbia for \$13,124.

### **Bow**

On October 11, 2013, the Company entered into an agreement to purchase an 80% interest in two mineral claims located in the Skeena Mining District of British Columbia for \$280,000. The claims cover 471 hectares located 50 kilometres north of Stewart, B.C. The Bow is contiguous with the Crown-granted claims that host the former Scottie Gold mine. This mine, which operated from 1981 to 1985, milled vein material averaging 16.2 grams per tonne gold, producing 2,967,748 grams of gold (95,426 ounces of gold) from 183,147 tonnes of mineralization. Previous work has indicated in excess of 13 different gold-bearing veins in the Bow claim-Scottie gold mine area.

The Bow property is located along volcanic rocks on the boundary with the Summit Lake stock, part of the Texas Creek plutonic suite in the Stewart area. This suite of rocks is related to alteration and mineralization at the former-producing Premier mine 20 kilometres south of the property, and the KSM copper-gold porphyries and Brucejack Lake gold deposits 20 kilometres north of the property.

At April 30, 2017, the Company has paid \$251,100 of the purchase price and \$28,900 is included in accounts payable and accrued liabilities. The Company has until October 11, 2017 to complete the purchase.

**Bow** – (cont'd)

Previous exploration had outlined three zones on the property, namely the Bend, Blueberry and Road (now called the Oro Grande) veins. These are banded quartz-carbonate veins mineralized with gold-bearing pyrrhotite, pyrite, chalcopyrite, galena and sphalerite occurring as an echelon fracture fillings in an east-west direction. Veins can be up to five metres in width but generally average two to three metres. The Bend vein has been drill tested along 100 metres of strike length and 50 metres of depth. A historical inferred resource was outlined in the drilled portion that included 18,200 tonnes of 10.97 grams per tonne gold. This resource is historical and has not been confirmed through drilling and sampling by the Company. These numbers are for reference purposes only and should not be relied upon. Examination of historical longitudinal sections indicates that mineralization is open along strike and to depth from the above drilling on the Bend vein.

In late 2013, the Company completed an extensive program of mapping, sampling, prospecting, trenching and diamond drilling on the Bow property. Three main areas were explored, namely the Bend vein and possible east extension, the Oro Grande-Blueberry vein area, and the area near the south end of the Bow claim. Work defined three new veins and a possible fourth one along the access tunnel to the Scottie Gold mine near the A portal. This access tunnel starts at the southwestern portion of the Bow claim and was driven southwest for 2.3 kilometres to the Scottie Gold mine area. The dumps for the broken muck from the first 500 metres of the tunnel (in the Bow claim) are at the A portal. Pieces of massive pyrrhotite-pyrite mineralization are present in this dump, indicating the presence of a vein and/or veins in this first 500 metres of drifting. Fine visible gold is present in bluish quartz fragments within a matrix of massive pyrrhotite-pyrite.

Samples and core collected during the exploration program have been stored in a secure company owned facility. A total of 365 surface samples including chip, grab and select grab were submitted for analysis. The core was logged and sent to the laboratory for analysis.

*Drilling of the Oro Grande and Blueberry vein areas:*

This drilling intended to check for any down-dip extension of the Oro Grande vein and east and down-dip extension of the Blueberry vein. The drilling program indicated that the Oro Grande vein had a down-dip extension. Drilling intersected the Blueberry vein with intersections of massive pyrrhotite and pyrite. The drilling to the east of the Blueberry vein exposure indicated several different dikes in the area; namely a microdiorite and mineralized felsic dike. Due to the intersection of a small core length of felsic mineralized dike, trenching was carried out to expose the possible strike direction of this dike. Trenching exposed a mineralized north-south dike parallel to drill direction located at the east end of the Blueberry vein. This dike was cut by numerous postmineral microdiorite dikes trending east-west. The mineralized dike was up to four m wide containing stringers of massive pyrrhotite-pyrite-molybdenite and local massive arsenopyrite lenses. Sulphide content was approximately 20 per cent of the mineralized dike. Coarse visible gold is present along the stringers associated with the molybdenite. Upon discovery of this mineralized dike, trenching was carried out in the general area indicating several other parallel north-south mineralized structures south of the Blueberry vein. Trenching was conducted along 15 metres of strike length. Soil geochemical surveys in previous exploration conducted in 1984 indicated up to 12.5 g/t gold in soils up to 50 metres north of the trenched area. The Company has not verified this data and this information is used for reference purposes only.

**Bow** – (cont'd)

The Company discovered a large silicified and pyritic area approximately 200 metres east of the Bend vein that could possibly host large low-grade gold mineralization. Numerous massive arsenopyrite cobbles are present in the overburden in this location. Due to the ice direction from west to east, these cobbles may indicate an easterly extension of the Bend vein. Approximately 200 metres east of this area, anomalous gold-copper-molybdenum values were obtained in the above 1984 soil sampling survey. An outcrop with massive to semi-massive pyrrhotite-pyrite occurs 100 metres south of the Bend vein.

The Company also discovered of a new vein up to two metres wide along 230 metres of strike that hosts arsenopyrite, pyrrhotite, pyrite and chalcopyrite. A second vein with semi-massive pyrrhotite over four metres of width is located 75 metres south of the first vein.

On April 30, 2014, the Company received ICP analyses and gold assay results for sampling in the area of the Bend vein. Highlights of the assays received for the first area sampled around the Bend vein and possible extension to the east include: float samples of massive arsenopyrite assaying up to 154.22 g/t gold; assays of grab sampling indicating up to 9.122 g/t Au in the Camp vein; and trench samples on the Bend vein assaying up to 59.61 g/t Au. Of the 47 samples collected in this area, 15 samples assayed greater than 10 g/t gold, 17 samples assayed between one to 10 g/t gold and 14 assayed less than one g/t gold.

On May 8, 2014, the Company received assays from the A adit dump sampling. The dump sampling was taken along the base of several piles 50 m apart at the portal to the A adit. The average of the 16 randomly taken samples is 93.3 grams per tonne Au.

On May 22, 2014, the Company announced that it had received ICP analyses for all 365 surface samples and gold assay results for another 140 samples from the Bow property. Exploration in 2013 outlined four new sulphide-bearing veins on the Bow property, one of which contains visible gold associated with strong molybdenite mineralization. To date, seven mineralized veins have been located on the property.

The ICP analyses indicate that there are three different types of gold-bearing vein structures associated with massive pyrite-pyrrhotite-arsenopyrite on the Bow property. These include:

- Gold-molybdenum plus or minus arsenic veins (Big M vein, based on ICP and visible gold in samples, and Oro Grande vein, based on ICP and gold assays);
- Au-As-cobalt plus or minus copper (Bend, Fifi, T-vein and H-1 vein, based on ICP and gold assays);
- Au plus or minus Cu (Blueberry, based on historic sampling and 2013 sampling on the possible A adit veins).

Decade Resources Ltd.  
Management Discussion and Analysis  
For the three months ended July 31, 2017

**Bow** – (cont'd)

Gold assays were received for 140 samples from the 2013 program. Of the 48 samples collected on the Fifi vein, two samples assayed greater than 100 g/t gold, four assayed 50 g/t to 100 g/t, 17 samples assayed 10 g/t to 50 g/t, 20 assayed one g/t to 10 g/t, and eight assayed less than one g/t gold. The vein is up to 2.5 m wide and has been traced over 230 metres, with gold values obtained along the entire length. A total of 12 samples along the vein assayed greater than 0.1 per cent cobalt, with the highest assay being 2.052 per cent Co associated with 3.76 per cent As. Of the 76 samples taken along 50 metres of the Oro Grande vein, eight samples assayed greater than 500 g/t, 12 samples from 200 g/t to 500 g/t, seven samples from 50 g/t to 100 g/t, 16 samples from 10 g/t to 50 g/t, 13 samples from one g/t to 10 g/t and 14 samples less than one g/t gold. Molybdenite is present in some of the samples associated with visible gold. Results that were less than one g/t were taken from siliceous, epidote-rich wall rock rather than the vein. In the Oro Grande sampling, 10 samples assayed greater than 0.1 per cent Mo, with the highest value being 0.39 per cent Mo.

On June 5, 2014, the Company received gold assays for 37 samples from the Blueberry vein at the Bow property. Some of the results of the Blueberry vein sampling are shown in the table below:

No.	Vein	Type	Au g/t	
116684	Blueberry	Bedrock	Grab	246.43
116687	Blueberry	Bedrock	Grab	409.44
116688	Blueberry	Bedrock	Grab	345.44
116689	Blueberry	Bedrock	Grab	253.29
116703	Blueberry	Bedrock	Chip	266.83
116714	Blueberry	Bedrock	Chip	229.89

On June 23, 2014, the Company received gold assays for 78 samples from the Big M vein at the Bow property. Of the samples collected at the Big M vein, 10 samples assayed greater than 1,000 g/t, 13 assayed from 500 g/t to 1,000 g/t, 10 assayed from 100 g/t to 500 g/t, 9 assayed from 50 g/t to 100 g/t, 27 samples assayed one g/t to 50 g/t and 9 assayed less than one g/t gold. The vein is up to 4.5 metres wide and has been traced over 25 metres with gold values obtained along the entire length. The vein intersects with the Blueberry at the north exposure of this vein. The Big M vein was exposed during pad building for drilling on the north end of the Blueberry vein. Subsequent to exposure, trenching was conducted along 25 metres of this vein. Mineralization consists of a number of pyrrhotite-arsenopyrite-pyrite-molybdenite stringers up to 15 centimetres wide across 4.5 metres of width. Sulphide content along the vein varies from 10 per cent to 20 per cent over all.

**Bow** – (cont'd)

*2014 Drilling Program*

The 2014 drilling program is designed to test the Big M vein where sampling in 2013 yielded up to 3,418 g/t gold in grab sampling and 280 g/t across a four-metre chip sample. Early results have identified a 50-metre-wide zone of mineralization associated with intense sericite-chlorite alteration and shearing that has not been previously identified.

The Company drilled the first six holes during the summer and the core was logged, with mineralized sections cut and shipped to a lab for analysis. Fine, visible gold has been noted within a 13-metre section in drill Hole No. 2.

On September 3, 2014, the Company announced assay results for the first diamond drill hole completed in 2014 on the Bow property. Highlights of assays for the first hole include 49.6 metres of 15.25 g/t Au.

The first hole tested the newly discovered Sixties zone, which is a northeast-trending zone of pyrrhotite veins and stockworks with minor pyrite and chalcopyrite within andesitic volcanics in contact with argillites. The first hole tested north of the previously identified Blueberry zone, an east-west vein which is present along a fault zone that has offset and rotated the volcanics and sediments in this area. The area of the 2014 drilling is in an area obscured by glacial moraine and overburden. Within the first hole, logging the core indicated fine visible gold in four different sections within the above 49.6-metre section. Mineralization starts at the volcanic-sediment contact and appears to be associated with strong dark chlorite alteration. True width of the zone which dips to the southeast is unknown at this time.

Drill holes 14-2 and 3 tested the area of the Big M vein discovered in 2013 with drill holes directed toward the west and drilled entirely within argillites. Fine visible gold was noted within several locations within a 13 m section in drill hole No. 2. Mineralization in the Big M is associated with arsenopyrite, minor pyrrhotite-pyrite-chalcopyrite and rarely molybdenite.

On September 11, 2014, Decade announced assay results for the second diamond drill hole completed in 2014 on the Bow property. Highlights of assays for the second hole include 12.66 metres of 39.43 g/t Au.

The second hole tested the newly discovered Big M zone, which is a north-trending zone of arsenopyrite-pyrite-pyrrhotite with minor chalcopyrite-molybdenite and fine visible gold identified south of the Blueberry vein structure. The zone is entirely within argillites along the east contact with andesitic volcanics. DDH-14-3, which tested beneath hole two, intersected similar mineralization to that found in DDH-14-2. True width of the Big M zone, which appears to dip steeply to the west, is unknown at this time.

Decade Resources Ltd.  
Management Discussion and Analysis  
For the three months ended July 31, 2017

**Bow** – (cont'd)

*2014 Drilling Program* – (cont'd)

DDH-14-4, which tested the Sixties zone in the area of DDH-14-1, intersected over 40 metres of pyrrhotite mineralization similar to that in DDH-14-1. Both DDH-14-1 and 4 were drilled north of the Blueberry structure. DDH-14-5 and 6 tested the Sixties zone south of the Blueberry structure.

On September 15, 2014, Decade announced the mobilization of a second diamond drill to continue testing the Bow property. The second drill will test a newly exposed zone of brecciated altered intrusive located one kilometre northeast of the Sixties zone. The new zone is located in an area of a historic gold-copper-molybdenum geochemical anomaly in soils.

Decade completed 15 drill holes testing different zones on the Bow property. Drilling of two long holes, one 365 metres and another 310 metres long, in an area of a historic gold-copper-molybdenum anomaly in soils, intersected sulphide mineralization over the entire interval in the first hole and over most of the second hole. Pyrite mineralization forming up to 30 per cent of the core was intersected over 30 metres in the first hole. Mineralization in DDH-14-4 intersected similar mineralization to DDH-14-1 over a 40 metre interval.

On December 9, 2014, Decade released the assays for the third diamond drill hole completed in 2014 on the Bow property. Highlights of assays for the third hole include 13.11 metres of 27.54 g/t Au.

The third hole tested beneath DDH-14-Bow-2 on the newly discovered Big M zone. It is a north-trending zone of arsenopyrite-pyrite-pyrrhotite-minor-chalcopyrite-molybdenite and fine visible gold identified south of the Blueberry vein structure. The zone is entirely within argillites along the east contact with andesitic volcanics. DDH-14-5 and -6 drilled from the west to the east tested the Big M zone at depth below DDH-14-Bow-2 and -3.

On March 12, 2015, the Company announced assay results for the fourth diamond drill hole completed in 2014 on the Bow property. Highlights of assays for the fourth hole include 8.84 metres of 11.84 g/t Au.

The fourth hole tested the Sixties zone to the northeast of DDH-Bow-2014-1. Both DDH-14-1 and 4 were drilled north of the Blueberry structure. DDH-14-5 and 6 tested the Sixties zone south of the Blueberry structure. True width of the zone, which appears to dip steeply to the northwest, is unknown at this time.

**Bow** – (cont'd)

*2014 Drilling Program* – (cont'd)

The Company completed 15 drill holes testing different zones on the Bow property in the 2014 exploration program. Six holes tested the Sixties-Big M vein areas, three holes tested a stockwork zone of narrow pyrite veining (CV zone), two holes tested the Oro Grande zone, two holes tested a large gold-copper soil anomaly and two holes tested areas of intense rust staining.

On April 30, 2015, Decade received the assays for the fifth hole completed in 2014 on the Bow property. Highlights of assays for the fifth hole include 12.98 g/t Au over 14.63 metres intersected in the Sixties zone and 22.2 g/t Au over 6.1 metres intersected in the Big M zone.

On May 5, 2015, Decade received the assays for the sixth hole. Highlights of assays for the sixth hole include 21.305 g/t Au over 12.16 metres intersected in the Sixties zone and 17.18 g/t Au over 6.26 metres intersected in the Big M zone.

A map showing the 2014 drill plan in the area of DDH-14-Bow-1 to 6 is posted on the Company's website. The intersections on the Sixties zone are approximately 50 metres south of the collars for DDH-14-Bow-1 to 2. Photos of the core from DDH-14-Bow-1 and 2 are also posted on the website.

On June 30, 2015, Decade released assay results from a further five diamond drill holes completed in 2014 on the Bow property. Highlights of assays for the drill hole six and seven which tested the large soil geochemical anomaly were the sixth hole included 1.06 g/t Au over 12.20 metres and the seventh hole included 2.77 g/t Au over 3.05 metres.

The holes tested a large copper-gold soil anomaly outlined in historic surveys that is located 1.2 kilometres northeast of the recently discovered Big M and Sixties zone. The location of drilling is shown on a map posted on the website. Drilling indicated copper values ranging from less than 100 parts per million to a high of 0.13 per cent and gold values averaging 0.28 gram per tonne over 300 metres of drill length. Surface grab sampling in 2014 indicated 0.8 g/t gold for 20 samples taken from outcrops over a 200 m area. Further work is planned to define the dimensions of the low-grade gold-bearing area.

Highlights of assays for the drill holes eight and ten which tested the stockwork zone of narrow pyrite veining (CV zone) were the eighth hole included 4.99 g/t Au over 3.05 metres and the tenth hole included 2.45 g/t Au over 2.74 metres.

The CV zone is located one kilometre north of the recently discovered Big M and Sixties zone. Further work is planned to define the dimensions of the CV gold-bearing area.

*2016 Exploration Program*

On June 23, 2016, the Company reported that sampling had returned 201 g/t Au over two metres on the Big M zone located on the Bow property. The Company received the results from surface testing along 20 metres of the Big M zone. Chip sampling was conducted at the north end on an area of vein exposed by melting snow. The zone is over three metres wide with two metres of quartz/molybdenite/sparse arsenopyrite and one metre of highly sericite altered rocks with stringers of massive arsenopyrite. In the quartz material, assays gave 0.21 % and 0.37 % molybdenum in association with high gold assays.

Decade Resources Ltd.  
Management Discussion and Analysis  
For the three months ended July 31, 2017

**Bow** – (cont'd)

*2016 Exploration Program* – (cont'd)

Assay results from the sampling are shown in the table below:

Sample #	Sample type	Gold g/t
5244	1 m chip	342.39
5243	1 m chip	60.62
5246	grab	315.35
5248	grab	18.52

Samples 5246 and 5248 were grab samples from massive arsenopyrite stringers. Grab sampling of poorly exposed massive arsenopyrite 20 metres south of the above rock face yielded up to 109.57 g/t Au along stringers up to 0.15 metres wide within a zone that appeared to be two metres in width overall.

*2016 Drilling Program*

In July 2016, Decade commenced drilling on the Bow property. The Company drilled a total of 500 metres on the Bend vein within the Bow property. The drilling was intended to confirm drill results from the 1980's, as well as check for strike extension along the Bend vein. The drilling intersected massive to semi-massive sulphides over widths up to five metres within the zone previously tested.

Trenching along the surface projection of the vein exposed it over a strike length of at least 100 metres. Grab sampling was conducted along the exposed portion of the zone. Based on work in 2014 and 2016, the Bend vein is at least 250 metres long and open along strike. Work indicates that the Bend vein contains more arsenopyrite to the east of the drilling. In the area of drilling the vein contains semi-massive to massive pyrrhotite-pyrite and minor chalcopyrite.

On September 8, 2016, the Company released the assay results for the first four drill holes of the 2016 drill program on the Bow property. Highlights of the assay results are shown in the table below:

DDH No.	From (m)	To (m)	Width (m)	Au (g/t)
2016-BOW-1	19.05	22.26	3.20	10.03
2016-BOW-2	18.45	20.64	2.19	14.27
2016-BOW-3	15.24	19.82	4.57	12.53
including	16.77	19.52	3.05	17.80
2016-BOW-4	14.79	20.88	6.09	17.17
including	14.78	20.58	5.79	18.00

The holes were all drilled on one panel to test the Bend vein, which is dipping at 45 degrees. The intersections in the table are true widths in this zone, which is amenable to open pitting in the event of mining of the mineralization.

Decade Resources Ltd.  
Management Discussion and Analysis  
For the three months ended July 31, 2017

**Bow** – (cont'd)

*2016 Drilling Program* – (cont'd)

On October 18, 2016, the Company released the assay results for the final three holes of the 2016 drill program completed on the Bow property. Highlights of the drilling are shown in the table below:

DDH No.	From (m)	To (m)	Width (m)	Au (g/t)
2016-BOW-5	15.24	21.04	5.79	21.18
Including	17.53	19.66	2.13	45.95
2016-BOW-6	18.14	20.73	2.59	13.43
2016-BOW-7	14.48	20.88	6.40	5.75
Including	18.78	19.82	1.04	16.53

Drill intercepts are close to 90% of the shallow-dipping Bend vein. Three holes drilled east of the above drilling in an area of deep overburden did not encounter the vein due to being spotted in the footwall area of the vein. Because of this, trenching was conducted to follow the strike of the vein. Grab sampling was conducted on vein zone exposed in the trenching. A total of 11 samples of sulphide-rich material assayed from 1.2 grams per tonne to 41.67 grams per tonne gold over the exposed strike length. Two samples with semi-massive arsenopyrite assayed 33.87 grams per tonne and 41.67 grams per tonne gold.

*2017 Exploration Program*

The Company plans to evaluate historical geochemical data in 2017 in order to define areas of elevated cobalt values in soil sampling conducted on the property in the 1980's. The property contains significant cobalt values associated with gold and arsenopyrite in pyrrhotite-rich veins and stock-works. Any indicated anomalous areas from this previous will be sampled by the Company, in light of recent increase in the price of cobalt.

### **Georgia River**

The Georgia River property is located approximately 13 kilometres south of Stewart, B.C., on the east side of the Portland Canal and at the south end of the Golden Triangle.

Narrow quartz veins with pyrite, pyrrhotite, galena, sphalerite, chalcopyrite, arsenopyrite and electrum (gold-silver alloy) occur along northerly trending fault zones. Marked gold enrichment with an increase in quartz veining occurs along the northerly shears in areas associated with their intersection with earlier northwest veins. To date, a total of 18 vein systems have been discovered on the property of which seven are wide northwest-trending quartz veins and eight are later northerly trending gold-bearing veins. Of the identified eight north-trending veins, only one, called the Southwest vein, has been explored to any great extent. Within it, there are three main zones (called zone 1, 2 and 3) of gold-bearing quartz veins where it intersects the earlier quartz veins. Only one of the above gold-bearing zones along the Southwest vein was explored in detail. The Southwest vein was exposed by trenching and drilling for a strike length of at least 595 metres over a vertical distance of at least 258 metres. It was also explored by two adits 85 metres apart topographically: the No. 1 level drifted along 47.8 metres of the vein while the No. 2 has drifted for 155.5 metres along the vein. From a small stope on the No. 2 level, a total of 454 tonnes were mined and milled in 1937, yielding 10,200 grams Au, 12,705 grams Ag and 3,312 kilograms Pb at an average grade of 22.56 g/t Au, 28.11 g/t Ag and 0.73% Pb.

Based on underground sampling of the Nos. 1 and 2 levels, surface trenching and 95 surface drill holes, a resource was calculated for the property. The reported total combined resources at Georgia River include 290,272 tonnes grading 28.7 grams per tonne gold (B.C. Minfile report). The resource is non-National Instrument 43-101-compliant and has not been verified by the Company.

The bulk of exploration was on only Zone 1 along the Southwest vein and the other two identified zones remain partially explored. Numerous drill targets remain at the property, including along depth at the Southwest No. 1 zone, in the area of Zone 2 and 3 along the Southwest vein as well as the numerous other gold-bearing structures. Drilling has indicated great continuity of gold values along dip within the outlined Zone No. 1 and 2 along the Southwest vein.

By an option agreement dated April 10, 2017, the Company was granted the option to acquire a 75% interest in the Georgia River Property. The property is subject to a 2% net smelter return royalty which may be reduced to 1% at any time after one year of commercial production for a payment of \$1,000,000. Consideration to earn the 75% interest is as follows:

#### *Cash payments:*

- i) \$50,000 on execution of the option agreement (paid);
- ii) a further \$75,000 on or before April 10, 2018;
- iii) a further \$150,000 on or before April 10, 2019;
- iv) a further \$200,000 on or before April 10, 2020.

#### *Exploration expenditures:*

- i) \$250,000 on or before April 10, 2018 (incurred);
- ii) a further \$500,000 on or before April 10, 2019;
- iii) a further \$750,000 on or before April 10, 2020;
- iv) a further \$1,000,000 on or before April 10, 2021.

Decade Resources Ltd.  
Management Discussion and Analysis  
For the three months ended July 31, 2017

**Georgia River** – (cont'd)

On August 30, 2017, the option agreement was amended to reflect the assignment by the Company of \$700,000 in portable assessment credits to the vendor of the Georgia River Property. In consideration, the initial \$250,000 exploration work commitment will be deemed to have been made on the property by the first anniversary.

**Treasure Mountain**

On July 31, 2017, the Company entered into a mineral claim purchase agreement with Detour Gold Corporation (“Detour”) to purchase a 100% interest in 37 mineral claims covering 7,104 hectares on the southern edge of the Golden Triangle. The claims are subject to a 2% net smelter returns royalty. Under the terms of the agreement, the Company would issue 2,700,000 common shares to Detour in consideration for the claims. The Company staked 3 additional claims at a cost of \$7,326.

The mineral claim purchase agreement was accepted for filing by the TSX Venture Exchange on August 10, 2017. The Company issued Detour 2,700,000 common shares with a fair value of \$418,500 on August 14, 2017. The shares are subject to resale restrictions as follows:

- 900,000 on December 14, 2017
- 900,000 on February 14, 2018
- 900,000 on April 14, 2018

*Ed Kruchkowski, P. Geo., a qualified person under National Instrument 43-101, is in charge of all exploration programs on behalf of the Company and has reviewed the disclosures contained in this MD&A. Mr Kruchkowski is a director and the Chief Executive Officer of the Company.*

**SELECTED ANNUAL INFORMATION**

The following financial data is selected information for the most recently completed fiscal years:

	April 30, <u>2017</u>	April 30, <u>2016</u>	April 30, <u>2015</u>
Total revenues	\$ -	\$ -	\$ -
Share-based payments	\$ 84,810	\$ -	\$ 240,000
Write-off of exploration and evaluation assets	\$ (10,000)	\$ (2,440,367)	\$ (81,127)
Deferred income tax recovery (expense)	\$ (114,500)	\$ 694,000	\$ (65,000)
Net loss for the year	\$ (445,271)	\$ (1,939,252)	\$ (541,911)
Basic loss per share	\$ (0.01)	\$ (0.03)	\$ (0.01)
Total assets	\$ 10,414,655	\$ 9,855,866	\$ 12,428,309
Total long-term liabilities	\$ 955,500	\$ 841,000	\$ 1,535,000
Cash dividends per share	\$ -	\$ -	\$ -

All the annual results were derived from financial statements prepared using IFRS.

## **RESULTS OF OPERATIONS**

The Company recorded a net and comprehensive loss of \$207,977 during the three months ended July 31, 2017 compared to \$141,651 during the three months ended July 31, 2016.

Consulting fees for the three months ended July 31, 2017 increased to \$124,698 compared to \$9,000 for the three months ended July 31, 2016. The Company incurred financial consulting fees in the 2017 quarter related to two private placements completed during that quarter.

Legal fees for the three months ended July 31, 2017 increased to \$36,291 compared to \$22,369 for the three months ended July 31, 2016. Legal fees increased due to the private placements and the Treasure Mountain acquisition completed during the 2017 quarter.

Shareholder communications for the three months ended July 31, 2017 increased to \$9,750 compared to \$Nil for the three months ended July 31, 2016. On August 18, 2016, the Company entered into an investor relations agreement with Gary Assaly to provide comprehensive investor relations services for the Company. Mr. Assaly was engaged at a rate of \$3,250 per month.

Share-based payments for the three months ended July 31, 2017 were \$Nil compared to \$75,000 for the three months ended July 31, 2016. On May 13, 2016, the Company granted 1,500,000 stock options to directors, officers and consultants of the Company. The stock options entitled the holders thereof the right to purchase one common share for each option at \$0.06 until May 13, 2021 and vested on the grant date. The fair value of the stock options was \$75,000.

Cash used in operating activities was \$370,470 for the three months ended July 31, 2017 compared to \$156,021 for the three months ended July 31, 2016. The increase was primarily due to the increase in consulting fees and the increase in accounts receivable from Mountain Boy for Red Cliff joint venture expenditures.

Cash from financing activities was \$1,316,724 for the three months ended July 31, 2017 compared to \$592,822 for the three months ended July 31, 2016. The details of the Company's financing activities are set out in the Liquidity and Capital Resources section of this MD&A.

Cash used in investing activities was \$334,050 for the three months ended July 31, 2017 compared to \$152,257 for the three months ended July 31, 2016. Cash used in investing activities represents exploration and evaluation costs incurred on the Company's mineral properties and advances for exploration and evaluations costs to be incurred.

Decade Resources Ltd.  
Management Discussion and Analysis  
For the three months ended July 31, 2017

**SUMMARY OF QUARTERLY RESULTS**

The figures for the quarters ended April 30, 2017 and 2016 are calculated from the Company's annual audited financial statements. All other amounts are from unaudited condensed interim financial statements prepared by management.

	Q1 Jul. 31, <u>2017</u>	Q4 Apr. 30, <u>2017</u>	Q3 Jan. 31, <u>2017</u>	Q2 Oct. 31, <u>2016</u>
Total revenues	\$ -	\$ -	\$ -	\$ -
Net and comprehensive loss	\$ (207,977)	\$ (87,420)	\$ (141,092)	\$ (75,108)
Basic and diluted loss per share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)

	Q1 Jul. 31, <u>2016</u>	Q4 Apr. 30, <u>2016</u>	Q3 Jan. 31, <u>2016</u>	Q2 Oct. 31, <u>2015</u>
Total revenues	\$ -	\$ -	\$ -	\$ -
Net and comprehensive loss	\$ (141,651)	\$ (1,820,711)	\$ (43,793)	\$ (16,904)
Basic and diluted loss per share	\$ (0.01)	\$ (0.03)	\$ (0.00)	\$ (0.00)

Variances in quarterly results can be due to share-based payments incurred in a quarter as the Company's stock options generally vest on the grant date and therefore are fully expensed in the quarter in which they are granted; to deferred income tax expense recorded in a quarter related to the renouncement mineral property expenditures to the investors in the Company's flow-through private placements; and to the write-off of mineral properties during a quarter.

In the quarter ended April 30, 2016, the Company recorded the write-off the Wedeene property of \$2,440,367 offset by the related deferred income tax recovery of \$694,000.

## **LIQUIDITY AND CAPITAL RESOURCES**

To date, the Company has been able to fund administrative overheads and property exploration and evaluation through equity financings. Continued uncertainty in the financial equity markets may make it difficult to raise capital through the private placement of shares. The junior mining industry is considered speculative in nature which could make it even more difficult to fund. While the Company is using its best efforts to achieve its business plans by examining various financing alternatives, there is no assurance that the Company will be successful with its financing ventures. The Company will require equity financings to meet its future exploration and administrative commitments.

The Company estimates that the administration of its corporate affairs will cost in the order of \$360,000 for the year ended April 30, 2018.

### *Commitments*

The Company has commitments with respect to its exploration and evaluation assets as follows:

#### ***Georgia River:***

##### *Cash payments:*

- i) \$50,000 on execution of the option agreement (paid);
- ii) a further \$75,000 on or before April 10, 2018;
- iii) a further \$150,000 on or before April 10, 2019;
- iv) a further \$200,000 on or before April 10, 2020.

##### *Exploration expenditures:*

- i) \$250,000 on or before April 10, 2018 (incurred);
- ii) a further \$500,000 on or before April 10, 2019;
- iii) a further \$750,000 on or before April 10, 2020;
- iv) a further \$1,000,000 on or before April 10, 2021.

#### ***Silver Crown:***

##### *Exploration expenditures:*

- i) \$100,000 before December 31, 2007 (incurred);
- ii) \$300,000 in aggregate before December 31, 2008 (incurred); and
- iii) \$1,500,000 in aggregate on or before December 31, 2017 (incurred \$169,047).

**LIQUIDITY AND CAPITAL RESOURCES** – (cont'd)

*Commitments*

***Surprise Creek:***

*Cash payments:*

- i) \$5,000 and \$300,000 portable assessment credits on execution of the agreement;
- ii) a further \$15,000 on or before September 8, 2018;
- iii) a further \$20,000 on or before September 8, 2019.

*Exploration expenditures:*

- i) \$50,000 on or before September 8, 2018;
- ii) a further \$70,000 on or before September 8, 2019.

***Red Cliff Extension:***

*Cash payments:*

- i) \$5,000 and \$300,000 portable assessment credits on execution of the agreement;
- ii) a further \$10,000 on or before September 8, 2018;
- iii) a further \$20,000 on or before September 8, 2019.

*Exploration expenditures:*

- i) \$30,000 on or before September 8, 2018;
- ii) a further \$50,000 on or before September 8, 2019.

**LIQUIDITY AND CAPITAL RESOURCES** – (cont'd)

*Financing Activities*

***Year ended April 30, 2017:***

On May 30, 2016, the Company issued 11,710,288 common shares to settle indebtedness of \$585,515 of which \$580,864 was included in accounts payable and accrued liabilities at April 30, 2016. Of the total amount settled, \$546,667 was due to related parties and was settled through the issuance of 10,933,348 common shares.

On June 28, 2016, the Company issued 8,571,428 common shares pursuant to a private placement of 8,571,428 flow-through units at \$0.07 per unit for proceeds of \$600,000. Each unit contained one flow-through common share and one non-flow through share purchase warrant entitling the holder to purchase an additional common share at \$0.10 until June 28, 2018. The Company incurred share issue costs of \$7,178 with respect to this private placement. No finders' fees were paid in connection with the private placement. There was no flow-through premium on the private placement.

On December 28, 2016, the Company issued 1,668,333 common shares pursuant to a private placement of 1,668,333 flow-through units at \$0.06 per unit for proceeds of \$100,100. Each unit contained one flow-through common share and one non-flow through share purchase warrant entitling the holder to purchase an additional common share at \$0.08 until December 28, 2018. No finders' fees were paid in connection with the private placement. There was no flow-through premium on this private placement.

**LIQUIDITY AND CAPITAL RESOURCES** – (cont'd)

*Financing Activities*

***Three Months Ended July 31, 2017:***

On May 18, 2017, the Company issued 10,700,000 common shares pursuant to the private placement of 10,700,000 flow-through units at \$0.06 per unit for proceeds of \$642,000. Each unit contained one flow-through common share and one non flow-through share purchase warrant entitling the holder to purchase an additional common share at \$0.08 until May 18, 2019. At April 30, 2017, the Company had received advance share subscriptions of \$84,000 with respect to this private placement.

On May 25, 2017, the Company issued 525,000 common shares pursuant to the exercise of 150,000 stock options at \$0.06 for proceeds of \$9,000 and the exercise of 375,000 stock options at \$0.08 for proceeds of \$30,000.

On July 12, 2017, the Company issued 910,000 common shares pursuant to the exercise of 200,000 stock options at \$0.06 for proceeds of \$12,000, the exercise of 525,000 stock options at \$0.08 for proceeds of \$42,000 and the exercise of 185,000 warrants at \$0.10 for proceeds of \$18,500.

On July 19, 2017, the Company issued 1,333,333 common shares pursuant to the exercise of 500,000 stock options at \$0.08 for proceeds of \$40,000 and the exercise of 833,333 warrants at \$0.08 for proceeds of \$66,666.

On July 21, 2017, the Company issued 5,622,350 common shares pursuant to a private placement for gross proceeds of \$457,900.

- The private placement was comprised of 2,898,823 flow-through units at \$0.085 per unit for proceeds of \$246,400, with each flow-through unit containing one flow-through common share and one non flow-through share purchase warrant entitling the holder to purchase an additional common share at \$0.11 until July 21, 2019.
- The private placement was also comprised of 1,000,000 non flow-through units at a price of \$0.065 per unit for proceeds of \$65,000, with each unit containing one common share and one common share purchase warrant entitling the holder to purchase an additional common share at \$0.09 until July 21, 2019.
- The private placement was also comprised of 1,723,527 non flow-through units at a price of \$0.085 per unit for proceeds of \$146,500, with each unit containing one common share and one common share purchase warrant entitling the holder to purchase an additional common share at \$0.11 until July 21, 2019.

On July 25, 2017, the Company issued 893,571 common shares pursuant to the exercise of 335,000 warrants at \$0.08 for proceeds of \$26,800 and the exercise of 558,571 warrants at \$0.10 for proceeds of \$55,857.

**LIQUIDITY AND CAPITAL RESOURCES** – (cont'd)

*Financing Activities*

***Subsequent to July 31, 2017:***

On August 3, 2017, the Company issued 900,000 common shares pursuant to the exercise of 900,000 stock options at \$0.06 for proceeds of \$54,000.

On August 8, 2017, the Company issued 235,000 common shares pursuant to the exercise of 235,000 warrants at \$0.10 for proceeds of \$23,500.

On August 15, 2017, the Company issued 100,000 common shares pursuant to the exercise of 100,000 warrants at \$0.10 for proceeds of \$10,000.

On August 18, 2017, the Company issued 800,000 common shares pursuant to the exercise of 800,000 stock options at \$0.08 for proceeds of \$64,000.

On August 21, 2017, the Company issued 300,000 common shares pursuant to the exercise of 300,000 stock options at \$0.085 for proceeds of \$25,500.

On August 24, 2017, the Company issued 455,000 common shares pursuant to the exercise of 455,000 warrants at \$0.10 for proceeds of \$45,500.

On August 29, 2017, the Company issued 800,000 common shares pursuant to the exercise of 800,000 stock options at \$0.08 for proceeds of \$64,000 and 250,000 common shares pursuant to the exercise of 250,000 stock options at \$0.06 for proceeds of \$15,000.

On September 6, 2017, the Company issued 310,000 common shares pursuant to the exercise of 310,000 warrants at \$0.10 for proceeds of \$31,000.

On September 7, 2017, the Company issued 400,000 common shares pursuant to the exercise of 400,000 stock options at \$0.08 for proceeds of \$32,000.

On September 8, 2017, the Company issued 400,000 common shares pursuant to the exercise of 400,000 warrants at \$0.10 for proceeds of \$40,000.

On September 18, 2017, the Company issued 275,000 common shares pursuant to the exercise of 275,000 warrants at \$0.10 for proceeds of \$27,500 and 250,000 common shares pursuant to the exercise of 250,000 warrants at \$0.08 for proceeds of \$20,000.

**OFF BALANCE SHEET ARRANGEMENTS**

The Company has no off balance sheet arrangements to report.

**TRANSACTIONS WITH RELATED PARTIES**

At September 26, 2017, the directors were Ed Kruchkowski, Randy Kasum, Lance Robinson and Brian Morrison. The officers were Ed Kruchkowski (CEO) and Randy Kasum (CFO). Additional related parties include Red Eye Resources Ltd (“Red Eye”) and Kasum Tractor Ltd (“Kasum”), companies managed by Randy Kasum. Sunbeam Drilling Ltd (“Sunbeam”), Greenback Ventures Ltd (“Greenback”), K-6 Consulting Group Ltd (“K-6”), Mountain Boy Minerals Ltd (“MB”) and Matrik Consulting Inc. (“Matrik”), companies with directors, namely Randy Kasum, Ed Kruchkowski and Brian Morrison, in common.

The Company incurred the following charges by directors of the Company, by companies with directors in common with the Company and by a company managed by a director of the Company for the three months ended July 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Consulting fees (Matrik)	\$ 9,000	\$ 9,000
Exploration and evaluation assets – drilling (Sunbeam)	236,530	-
Exploration and evaluation assets – equipment rental (Kasum)	73,928	-
Exploration and evaluation assets – supervision (Greenback)	39,250	-
Management fees (Greenback and K-6)	12,000	12,000
Share-based payments (Kruchkowski, Kasum, Morrison)	<u>-</u>	<u>52,500</u>
	<u>\$ 370,708</u>	<u>\$ 73,500</u>

During the year ended April 30, 2017, the Company received other income of \$42,450 for equipment rental and exploration related services from a public company having directors in common with the Company.

At July 31, 2017, accounts receivable includes \$241,217 (April 30, 2017: \$102,787) due from a public company having directors in common with the Company.

At July 31, 2017, exploration advances includes \$165,000 (April 30, 2017: \$110,000) paid to a director of the Company, to companies with directors in common with the Company and to a company managed by a director of the Company.

At July 31, 2017, accounts payable and accrued liabilities includes \$245,529 (April 30, 2017: \$239,775) due to a director of the Company, due to companies with directors in common with the Company and to a company managed by a director of the Company.

Key management compensation

The Company considers its Chief Executive Officer and Chief Financial Officer to be key management. During the three months ended July 31, 2017 and 2016, the Company incurred the following key management charges.

	<u>2017</u>	<u>2016</u>
Management fees	\$ 12,000	\$ 12,000
Share-based payments	<u>-</u>	<u>45,000</u>
	<u>\$ 12,000</u>	<u>\$ 57,000</u>

### **PROPOSED TRANSACTIONS**

The Company has no proposed transactions to report.

### **CRITICAL ACCOUNTING ESTIMATES**

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only; or in the period of the change and future periods, if the change affects both.

Information about critical accounting estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

#### *Exploration and Evaluation Expenditures*

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

#### *Title to Mineral Properties*

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

**CRITICAL ACCOUNTING ESTIMATES** – (cont'd)

*Rehabilitation Provisions*

Rehabilitation provisions have been determined to be \$Nil based on the Company's internal estimates. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management. Estimates are reviewed annually and are based on current regulatory requirements. Significant changes in estimates of contamination, restoration standards and techniques will result in changes to provisions from period to period.

*Share-Based Payments*

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

*Recognition of Deferred Income Tax Assets and Liabilities*

The carrying amount of deferred income tax assets and liabilities is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Changes in estimates of future taxable profit can materially affect the amount of deferred income tax assets and liabilities recognized from period to period.

**CHANGES IN ACCOUNTING POLICIES**

There were no changes in the Company's significant accounting policies during the three months ended July 31, 2017 that had a material effect on its condensed interim financial statements. The Company's significant accounting policies are disclosed in Note 3 to its unaudited condensed interim financial statements for the three months ended July 31, 2017.

## **FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS**

The carrying amounts of financial assets and liabilities approximate their fair value.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash, accounts receivable, reclamation deposits and accounts payable.

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

### **Credit Risk**

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

### **Interest Rate Risk**

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

### **Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. When future cash flows are fairly uncertain, the liquidity risk increases.

The Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 30 days. The Company monitors its risk of shortage of funds by monitoring the maturity dates of existing trade and other accounts payable. The Company prepares monthly operating expenditure budgets, which are regularly monitored and updated as considered necessary. The Company intends to meet its current obligations through funds to be raised via the private placement of shares and through related party loans.

## **RISKS AND UNCERTAINTIES**

In addition to the risks and uncertainties detailed earlier in this MD&A, the Company is also subject to other risks and uncertainties including the following:

### General Risk Associated with the Mining Industry

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known commercial ore deposit. The main operating risks include: securing adequate funding to maintain and advance exploration properties; ensuring ownership of and access to mineral properties by confirmation that claims and leases are in good standing and obtaining permits for drilling and other exploration activities. The market prices for gold and other metals can be volatile and there is no assurance that a profitable market will exist for a production decision to be made or for the ultimate sale of the metals even if commercial quantities of precious and other metals are discovered.

Exploration and development activities involve risks which careful evaluation, experience and knowledge may not, in some cases eliminate. The commercial viability of any mineral deposit depends on many factors not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure, government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations, have an impact on the economic viability of a mineral deposit. Management attempts to mitigate its exploration risk by maintaining a diversified portfolio of properties and a strategy of possible joint ventures with other companies which balances risk while at the same time allowing properties to be advanced.

### Dependence on Key Personnel

Loss of certain members of the executive team or key operational leaders of the Company could have a disruptive effect on the implementation of the Company's business strategy and the efficient running of day-to-day operations until their replacement is found. Recruiting personnel is time consuming and expensive and competition for qualified personnel may be intense. The Company may be unable to retain its key employees or attract, assimilate, retain or train other necessary qualified employees, which may restrict its growth potential.

### Option Agreements

The Company is currently earning some of its interests in its mineral properties through option agreements and acquisition of title to the property is only completed when the option conditions have been met. These conditions generally include making property payments and incurring exploration expenditures on the properties and can include the completion of pre-feasibility studies. If the Company does not satisfactorily complete its option conditions in the time frame laid out in the option agreement, the Company's title to the mineral property will not vest and the Company will have to write-down the previously capitalized costs related to that property.

Decade Resources Ltd.  
Management Discussion and Analysis  
For the three months ended July 31, 2017

**DISCLOSURE OF OUTSTANDING SHARE DATA**

a) <u>Issued:</u>	<u>Number</u>
At September 26, 2017	<u>113,743,908</u>

b) Share Purchase Warrants:

At September 26, 2017, the Company had 22,625,207 share purchase warrants outstanding entitling the holders to purchase one common share for each warrant held as follows:

<u>Number of Warrants</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
6,052,857	\$0.10	June 28, 2018
500,000	\$0.08	December 28, 2018
10,450,000	\$0.08	May 18, 2019
1,000,000	\$0.09	July 21, 2019
<u>4,622,350</u>	\$0.11	July 21, 2019
<u>22,625,207</u>		

c) Stock Options:

At September 26, 2017, the Company had 600,000 stock options outstanding entitling the holders to purchase one common share for each option held as follows:

<u>Number of Options</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
<u>600,000</u>	\$0.08	February 23, 2020
<u>600,000</u>		