EROS RESOURCES CORP

(an exploration stage enterprise)

Management Discussion and Analysis

Nine months ended September 30, 2017 and 2016

INTRODUCTION

This MD&A has been prepared by management as at November 29, 2017 and was reviewed by the Audit Committee and approved by the Board of Directors on that date. The following discussion of performance, financial condition and future prospects should be read in conjunction with the unaudited condensed consolidated interim financial statements of Eros Resources Corp. ("Eros", or the "Company") and the related notes thereto for the nine months ended September 30, 2017 and 2016, as well as in conjunction with the audited consolidated financial statements of Eros and the related notes thereto for the years ended December 31, 2016 and 2015, prepared in accordance with International Financial Reporting Standards ("IFRS"). The information provided herein supplements but does not form part of the financial statements. This discussion covers the nine months ended September 30, 2017 and the subsequent period up to the date of issue of this MD&A. All monetary amounts are in Canadian dollars unless otherwise specified.

Additional information including financial statements and more detail on specific mineral properties discussed in this MD&A can be found on the Company's website www.erosresources.com and on the Company's page at www.sedar.com.

This MD&A contains Forward-Looking Information.
Please read the Cautionary Statements on page 3 carefully.

FORWARD-LOOKING STATEMENTS AND INFORMATION

Certain information included in this MD&A contains forward-looking statements or forward-looking information within the meaning of applicable Canadian securities laws, including, without limitation, in respect of the Company's priorities, plans and strategies; potential outcomes of instances where governments have unilaterally withdrawn the Company's right to extract minerals from explored areas; and the Company's anticipated financial and operating performance and prospects. All statements and information, other than statements of historical fact, included in or incorporated by reference into this MD&A are forward-looking statements and forward-looking information, including, without limitation, statements regarding activities, events or developments that we expect or anticipate may occur in the future. Such forward-looking statements and information can be identified by the use of forward-looking words such as "will", "expect", "intend", "plan", "estimate", "anticipate", "believe" or "continue" or similar words and expressions or the negative thereof. There can be no assurance that the plans, intentions or expectations upon which such forward-looking statements and information are based will occur or, even if they do occur, will result in the performance, events or results expected. This information speaks only as of the date of this MD&A. In particular, this MD&A contains forward-looking information pertaining to the following:

- *potential receipt of regulatory approvals, permits and licenses and treatment under governmental regulatory regimes;*
- *potential reversal of, or receipt of compensation for, a government's withdrawal of the Company's right to extract minerals from explored areas;*
- *the estimates of the Company's mineral resources;*
- *production of oil wells;*
- *expectations of market prices and costs; and*
- *exploration, development and expansion plans and objectives.*

We caution readers of this MD&A not to place undue reliance on forward-looking statements and information contained herein, which are not a guarantee of performance, events or results and are subject to a number of risks, uncertainties and other factors that could cause actual performance, events or results to differ materially from those expressed or implied by such forward-looking statements and information. These factors include: changes in priorities, plans, strategies and prospects; general economic, industry, business and market conditions; changes in law; the ability to implement business plans and strategies, and to pursue business opportunities; potential legal and regulatory claims, proceedings and investigations; disruptions or changes in the credit or securities markets; inflationary pressures; the selling price of oil produced, and access to markets for that oil; expropriation or prevention of access or use of the Company's assets, including the right to extract minerals from explored areas; and various other events, conditions or circumstances that could disrupt Eros' priorities, plans, strategies and prospects.

Shareholders are cautioned that all forward-looking statements and information involve risks and uncertainties, including those risks and uncertainties set out above and as detailed in Eros's continuous disclosure and other filings with applicable Canadian securities regulatory authorities, copies of which are available on SEDAR at www.sedar.com. The Company undertakes no obligation to publicly release the results of any revisions to forward-looking statements and information that may be made to reflect events or circumstances after the above-stated date or to reflect the occurrence of unanticipated event, except as otherwise required by applicable legislation.

THE COMPANY

The Company's principal business activities include the acquisition, exploration and development of mineral and oil resource properties in North America. The Company's corporate office is located at Suite 650, 1021 West Hastings Street, Vancouver, British Columbia. Eros is a Tier 1 company listed on the TSXV Exchange.

Eros has as its prime business objective the identification, acquisition and exploration of advanced resource projects with a North American focus. A secondary focus of the Company is to make strategic investments with a global focus and a diverse commodity base. The Board and management's expertise in the resource sector supports the selection of these strategic investments.

OVERALL PERFORMANCE

In the quarter ended September 30, 2017, Eros announced the commencement of oil production from its Flaxcombe project. As a result, Eros is now a revenue-generating company. On September 20, 2017, the Company announced that wellbore 9-13 had achieved a 30-day initial production average of 80 barrels of oil per day (72 barrels to Eros). Two additional wells, 1-13 and 6-13 were successfully completed and brought on production during the quarter. As at November 26, 2017 the combined 30-day average production rate of the three section-13 wells was approximately 120 barrels per day (110 barrels to Eros). Eros continued to expand its interest in the Flaxcombe project by acquiring a 33.33% interest in three sections, contiguous with project partner Westcore's holdings that include the producing wells.

Earlier in 2017, Eros capitalised on a number of strategic equity investments made in 2016, selling them to realize gains and add to cash on hand. These strategic equity investments resulted in significant gains for the Company's marketable securities portfolio, with realized gains of $2.3 million in addition to unrealized gains of over $1.0 million on marketable securities for the nine months ended September 30, 2017 (2016 - $234,000 of realized gains, and $5.1 million of unrealized gains). In addition, the Company raised over $1 million through the issuance of shares and warrants in its June 2017 private placement.

Eros continued to monitor the situation with its Bell Mountain Project as a result of the US Navy's 2016 announcement of their planned expansion of the Fallon Range Training Complex. The Navy's plan, and the impact on Bell Mountain, is described in more detail under the Bell Mountain Project below.

In summary, the Company is facing substantial uncertainty regarding the future of the Bell Mountain gold exploration project, but is well financed, has strategic investments that have performed very well, and is now generating revenue from the three Flaxcombe oil wells.

OUTLOOK

The Company, in reviewing its investments as well as its assessment of new project opportunities, considers this to be a suitable time to identify and acquire advanced projects. Eros has accelerated its efforts to assess the merit of increasing its exposure to the Flaxcombe heavy oil project. Potential mechanisms to increase exposure include seeking to acquire an interest in additional lands as well as potentially exercising the Company's right to participate in additional development of production wells.

Meanwhile, Eros continues to search for suitable investment opportunities in mineral projects and prospects. Acquisition may be in the form of an equity interest in a company holding one or more projects, an earned interest in one or more projects, a business combination, or otherwise.

In addition, the Company will continue to monitor its existing investments, and seek to maximize their value, either through divesting, exploring, combining, bringing to production or otherwise as appropriate.

EVENTS SUBSEQUENT TO SEPTEMBER 30, 2017:

On October 11, 2017, the Company announced the results of a Preliminary Economic Assessment ("PEA") on its wholly owned Bell Mountain gold project in Churchill County, Nevada. The PEA provides a base case assessment of the current status of the Project notwithstanding the Bureau of Land Management ("BLM") September 1, 2016 notice that the US Navy had applied to expand the Fallon Range Training Facility and withdraw 604,789 acres of public land, an area that includes the entire Bell Mountain Property.

The base case PEA assumed a gold price of $1,300/oz and a silver price of $17.50/oz, resulting in

- a pre-tax Net Present Value ("NPV") @ 5% of $17.6 million USD, and an Internal Rate of Return ("IRR") of 41.4%, with payback in ~1.7 years;
- an after-tax NPV @ 5% of $9.3 million USD and an IRR of 24.7%, with payback in ~2.7 years;
- pre-production capital cost was estimated at $18.5 million USD including a $1.7 million USD contingency;
- Life of Mine ("LOM") production of 60,056 ounces of gold and 408,498 ounces of silver over a 4.0 year mine-life; and
- LOM cash cost of US$759/oz, net of by-product silver credits and including royalty payments totalling $2.56 million.

OIL AND GAS PRODUCTION

Flaxcombe – heavy oil

During the quarter ended September 30, 2017, Eros commenced production from its Flaxcombe project in western Saskatchewan. Total oil production during the third quarter was 5,900 barrels (5,310 to Eros). The wells are operated by project partner Westcore Energy Ltd. Under the terms of an agreement with Westcore reached on February 6, 2017, Eros holds a 90% working interest in the wells until the Company's investment of $1.6 million is recovered, and will hold a 50% interest thereafter. Eros also retains a right of first refusal to participate on the same terms on two subsequent drill programs on the Flaxcombe field. Westcore is a related party by virtue of having a director in common with the Company.

The initial 3 well program was designed to drill offset locations to existing production wells at Flaxcombe. Drilling commenced in July 2017 with initial production from the first well in August. On September 20, 2017, Eros announced that Well 9-13 had achieved an initial production rate over the first thirty-days ("IP-30") of 80 barrels per day (72 barrels to Eros), and has continued to produce steadily since then. At November 26, 2017, the 30-day rolling average production rate for well 9-13 had increased to over 100 barrels per day.

Well 6-13 was completed and brought on production on August 27, 2017 followed by Well 1-13 which was completed on September 4, 2017. Subsequent to the end of the quarter, on October 25, 2017 Eros reported that Well 6-13 had an IP-30 of 16.7 barrels per day; however, its 30-day rolling average production has since fallen to less than 10 barrels per day.

Production from Well 1-13 has been intermittent, due to high levels of sand production. Over the six-week period from September 26th to November 8th, 2017, Well 1-13 recorded only 13 days of oil production; however, steady oil production has now resumed at an average rate of less than 10 barrels per day.

Eros, together with Westcore, continue to work on strategies to optimize production from the field.

As at November 26, 2017 the combined 30-day average production rate from the three Section 13 wells was approximately 120 barrels per day (110 barrels to Eros).

EXPLORATION AND EVALUATION ASSETS

The exploration and evaluation asset spending to September 30, 2017 has been capitalized as follows:

	British Columbia	Saskatchewan	Quebec (Chateau Fort)	Newfound -land and Labrador	Nevada	**Total**
Commodity	gold	uranium (2015) & oil (2017)	gold*	uranium	gold-silver	
Balance at Dec. 31, 2016	$ 6,500	$ -	$ 24,565	$-	$ 3,072,023	$ 3,103,088
Additions:						
Acquisition costs	-	14,198	-	-	-	14,198
Staking & maintenance	-		-	-	77,134	77,134
Geology/geophysics	-	-	-	-	270,212	270,212
Analysis	-	-	-	-	6,408	6,408
Field support	-	-	-	-	53,610	53,610
Environmental and socioeconomic	-	-	-	-	81,006	81,006
Total additions for the period	-	14,198	-	-	488,370	502,568
Balance at Sep. 30, 2017	$ 6,500	$ 14,198	$ 24,565	$ -	$ 3,560,393	$ 3,605,656

*The Company also has some uranium assets in Quebec but these are carried at zero book value.

BELL MOUNTAIN and EASTGATE EXPLORATION PROPERTIES, NV

Eros holds 100% title to the Bell Mountain gold-silver property located in the Fairview mining district, southeast of Reno, Nevada, approximately 54 miles (86 kilometres) from Fallon, Nevada.

In August 2016, the Department of the Navy of the United States Department of Defense issued a notice of its intent to prepare an environmental impact statement ("EIS") regarding a proposed expansion of the Fallon Range Training Complex, and the resulting “withdrawal of public lands.” The Company's Bell Mountain Project consists of unpatented mining claims which are located on federal lands within the proposed EIS area. As part of the process, the Company has been advised to cease work on the impacted land. The Company is presently evaluating the notice and is conferring with various parties regarding the purpose of the notice and the potential effect on current users of the public lands.

Surface activity on the Bell Mountain site will be restricted until the proposed expansion’s impact on Eros is resolved. In order limit potential lost time during the US Navy’s activity, and to assist Eros in establishing the value of the asset, the Board has approved the completion of a PEA for the project. Progress has been made on the PEA and it is expected to be publicly released in Q4 2017.

The Eastgate gold-silver property is situated in the Walker Lane, approximately 14.5 air miles (23.5 km) east-northeast from the Company’s Bell Mountain property. The nearest town is Fallon, Nevada, about 63 road miles (101 km) to the west. Pursuant to an agreement with Kermode Resources Ltd. (“Kermode”), Eros purchased a 45% interest in the Eastgate property for a total of US$650,000. Kermode (15% owner) and Eros now have the right to jointly and equally participate in the remaining purchases of a 15% and a

25% property interest. Either party may elect not to complete its share of the purchases, in which case, the other party may complete the purchase on its own account. The parties also have the right at any time to call for a joint venture arrangement with Blue Mountain, the underlying vendor. To this end, discussions regarding a possible joint venture agreement were initiated earlier in 2017 and are continuing.

Preliminary analysis indicates that, while the Eastgate property is not captured by the planned expansion of the Navy training complex, it is anticipated that the potential loss of synergies with Bell Mountain will make the development of the Eastgate property alone more challenging.

BRITISH COLUMBIA EXPLORATION PROJECTS

KET and REN claims

The Company held a 100% interest in the Ket and Ren claims in southern British Columbia. Originally acquired for their uranium potential, exploration on these claims ceased immediately following the B.C. Government's announcement in April 2008 and the March 2009 Order in Council, effectively banning uranium and thorium exploration and development. In 2016, the Company was successful in obtaining compensation from the B.C. Government for the loss of its right to develop these properties, and in 2016 recorded a recovery of $159,975 from the B.C. Government in relation to this matter.

Golden Triangle

The Company purchased a 5% minor investment interest in certain properties in the Golden Triangle area of northwest BC. The purchase of these rights included a minor share position in SnipGold Corp. These SnipGold Corp. shares were sold for more than the cost of the total acquisition.

SASKATCHEWAN EXPLORATION PROJECTS

Flaxcombe – heavy oil

The Company has entered into a Joint Operating Agreement with Westcore Energy Ltd. and Saturn Oil + Gas Inc. to acquire and develop three sections of land near Flaxcombe, Saskatchewan. Under the terms of the Agreement, each of Eros, Westcore and Saturn shall have a one-third (33.33%) working interest in the sections. This provides Eros with a direct interest in the future exploration results, reserve assessment and possible development within the Flaxcombe, heavy oil field.

Athabasca Basin Projects

Anthem holds an interest in two Joint Venture agreements with Denison Mines Corp. In addition, the Company holds NSR royalty interests in several properties in Saskatchewan. The properties were selected to target an unconformity-type or basement-hosted uranium deposit at or near the contact between the Athabasca sandstones and underlying basement rocks, similar to the nearby world-class Key Lake, Cigar Lake and McArthur River deposits. Due to dilution of the Company's interests coupled with continued challenges in the uranium exploration markets, the Company wrote down the value of its Saskatchewan uranium exploration properties in 2016.

***DENISON JOINT VENTURE (*EXPLORATION)**

Hatchet Lake and Murphy Lake - At the end of 2016, Eros held 29.89% and 21.04% interests in the joint ventures respectively, located in the shallow, eastern portion of the Athabasca basin of Saskatchewan. The target is unconformity-type uranium deposits similar to the nearby McLean Lake mine. Denison Mines Corp. ("Denison") is the operator of the joint ventures. Eros believes that the uranium market will remain depressed for the foreseeable future and therefore has elected not to contribute to either program since 2015, resulting in dilution of the Company's interests. As a result, Denison is currently funding all exploration at the sites.

The **Hatchet Lake** property is located just 17 km north of the McClean Lake uranium mill owned by AREVA-Denison-OURD. Access is by winter road or aircraft.

The **Murphy Lake** property is located approximately 20 km north of the McClean Lake uranium mill. Highway 905 crosses the property but access to most of the targets is by winter road or aircraft.

Denison advised the Company that it had completed a nine-hole, 3,433 metre drill program on the Murphy Lake project during the first quarter, 2017. The program was designed to test high-priority geophysical and geological targets along strike of a previously announced mineralized zone that included highlight intercepts of 0.25% U3O8 over 6.0 metres (drill hole MP-15-03), 0.13% U3O8 over 14.5 metres (drill hole MP-16-11) and 0.19% eU3O8 over 2.9 metres (hole MP-16-08). Eros had previously declined to participate in funding this program and is awaiting a final report of the results from Denison.

QUEBEC EXPLORATION PROJECTS

Otish Mountains property

The Company holds a 100% interest in the Otish Mountains uranium property.

In March, 2013, the government of Quebec announced it would conduct an impact study on the exploration and development of uranium in the province. The Bureau d'Audiences Publiques sur l'Environnement (BAPE) was given a mandate to complete this study and submitted their report to the Minister of Sustainable Development, Environment and the Fight Against Climate Change. In September 2015, the Minister then convened an interdepartmental committee to review the BAPE study. In the meantime, the government has said that no certificate of authorization will be issued for the exploration or development of uranium in Quebec until the study is well understood. As a result, Strateco Resources Inc., a uranium development company in Quebec, sued the Government of Quebec for $192M for the loss of its investment in the Matoush uranium project. The trial concluded on February 24, 2017 with the decision announced on June 21, 2017. The judge dismissed Strateco's claim. Strateco has announced that they plan to appeal the decision. Eros continues to evaluate the changing circumstances in order to identify opportunities to obtain a return on its investment in the region.

Chateau Fort gold property

The Chateau Fort gold property is 18,867 hectares in size and is located in central Quebec. On March 24, 2015, the Company announced that it had optioned the property to Tarku Resources Ltd. ("Tarku"). Under the terms of the agreement, Tarku can earn a 100% interest in the Property, subject to certain underlying diamond rights and Net Smelter Return Royalties. In return Tarku shall pay $100,000 in cash ($15,000 paid) and 8 million Tarku shares (2,000,000 paid) in staged payments over four years. During 2016, Tarku repaid a promissory note owed, and renegotiated the terms of the option on Chateau Fort Gold, dropping the requirement for further payments in cash or shares.

Eros retains a 2% Net Smelter Return Royalty on claims not subject to other underlying agreements, of which 1% can be bought down for payment of $2 million. In addition, Eros retains the right to maintain its pro rata percentage ownership of Tarku via future financings, and retains a right of first refusal on third party offers to purchase the Property.

RESULTS OF OPERATIONS

SUMMARY OF QUARTERLY RESULTS

The following table reports selected financial information of the Company for the past eight quarters commencing with the reported financial information for the most recent quarter.

Quarter ended	30-Sep-17	30-Jun-17	31-Mar-17	31-Dec-16
Capitalized mineral property acquisition and exploration costs	$ 136,581	$ 911,524	$ 168,247	$ (3,136,889)[5]
Capitalized oil property costs	$ 1,493,741	$ -	$ -	$ -
Revenue[1]	$ 138,142	$ -	$ -	$ -
Net income (loss)	$ 90,929[2]	$ 1,302,518[3]	$ 673,064[4]	$ (2,926,698)[5,6]
Unrealized gain (loss) and transfer on marketable securities	$ 1,002,770	$ (2,483,530)	$ 538,528	$ (3,245,199)
Comprehensive income (loss)	$ 1,093,699	$ (1,181,012)	$ 1,211,592	$ (6,171,897)
Net Income (loss) per share	$ 0.00	$ 0.03	$ 0.02	$ (0.07)

Quarter ended	30-Sep-16	30-Jun-16	31-Mar-16	31-Dec-15
Capitalized property acquisition and exploration costs	$ 147,352	$ 543,547	$ 285,844	(55,513) [7]
Revenue[1]	-	-	-	-
Net income (loss)	$ (2,778)	$ 44,428	$ (178,724)	$ 630,058
Unrealized gain (loss) on marketable securities, net	$ 3,139,148	$ 1,468,355	$ 490,077	$ 168,690
Comprehensive income (loss)	$ 3,136,370	$ 1,512,783	$ 311,353	798,748
Net income (loss) per share	$ (0.00)	$ 0.00	$ (0.00)	$ 0.02

(1) The Company is in the exploration stage and had no revenue prior to June 30, 2017.
(2) Includes unrealized gain on sale of marketable securities of $192,263
(3) Includes gain on sale of marketable securities of $1,462,954
(4) Includes gain on sale of marketable securities of $853,559
(5) Includes write down of Saskatchewan properties of $3,212,756
(6) Includes gain on marketable securities, held for trading of $489,927
(7) Includes write down of Webb River property of $293,430.

Discussion of variation in quarterly results

Primary factors influencing the fluctuation in quarterly capitalized property acquisition and exploration costs include whether a new property was acquired, the pace of exploration, and whether an existing property was written down. Write downs, when they occur, and gains or losses on marketable securities – whether realized on sale, or on securities held for trading – also tend to significantly impact net income (loss) and comprehensive income (loss). Unrealized gains or losses on "marketable securities, available for sale" significantly impact comprehensive income (loss).

Net income for the three months ended September 30, 2017

Net income of $90,929 (Q3 2016 – loss of $2,778) was recorded for the three months ended September 30, 2017 ("Q3 2017") primarily due to the gross profit on oil production of $76,373 (Q3 2016 – $nil) combined with the unrealized gain on marketable securities held for trading of $192,263 (Q3 2016 - $nil), offset by the payout on dispute settlement from the B.C. government received in Q3 2016 of $159,975 with no comparable amount received in Q3 2017. When compared with the quarter ended September 30, 2016, an increase in wages and benefits occurred in Q3 2017 due to the retention of new management, however, no share based compensation was recorded in Q3 2017, whereas $164,577 in share based compensation was awarded in Q3 2016. Finally, the Q3 2016 gain on foreign exchange was not realized again in Q3 2017.

In addition, a sizeable decrease occurred in the unrealized comprehensive income on "marketable securities, available for sale," from a gain of $3,139,148 in Q3 2016 to a gain of $981,643 in Q3 2017, adding substantially to the comprehensive income for the 2017 period.

Net income for the nine months ended September 30, 2017

Net income of $2,066,511 (YTD-2016 – loss of $137,073) was recorded for the nine months ended September 30, 2017 ("YTD-2017") primarily due to the gain on sale of marketable securities of $2,302,396 (YTD-2016 - $234,010). When compared with YTD-2016 figures, an increase in wages and benefits occurred in YTD-2017 due to the retention of new management, however, no share based compensation was recorded in YTD-2017, whereas $164,577 in share based compensation was awarded in YTD-2016. The loss on foreign exchange decreased substantially, from a loss of $112,490 in YTD-2016, to a gain of $18,217 in YTD-2017 as a result of a strengthening of the Canadian dollar in YTD-2017. Finally, while there was no comparable amount in YTD-2017 to the payout on dispute settlement received from the BC government in YTD-2016 of $159,975, similarly there was no comparable amount in YTD-2016 to the gross profit on oil production of $76,373 in YTD-2017.

In addition, a sizeable decrease occurred in the unrealized comprehensive income on "marketable securities, available for sale," from a gain of $5,097,580 in YTD 2016 to a gain of $832,997 in YTD 2017. Finally, $1,775,229 (YTD 2016 – nil) was transferred from comprehensive income to net income upon the sale of the related underlying securities.

Cash flows for the nine months ended September 30, 2017

Cash used in operating activities was $652,043 for the nine months ended September 30, 2017 as compared with the $272,208 used in YTD-2016, for reasons explained in the loss for the nine months ended September 30, 2017 section, above, combined with movements in non-cash working capital which consumed $234,725 in YTD-2017 as compared with just $68,170 in YTD-2016.

In both years, the sale of marketable securities added substantially to cash generated by investing activities (YTD-2017: $3,243,241; YTD-2016: $990,933), however this cash was re-invested into purchasing other marketable securities (YTD-2017: $1,500,619; YTD-2016:$2,488,105), drilling and completing oil and gas wells (YTD-2017: $1,464,345; YTD-2016: $nil) and mineral exploration and evaluation (YTD-2017: $502,568; YTD-2016: $976,743). As a result, in YTD-2017, the total cash used by investing activities was $224,291, whereas greater investments were made in YTD-2016, and total cash consumed by investing activities was $2,418,977, funded from cash on hand.

Finally, financing activities showed cash generation of $1,021,102 in YTD-2017 (YTD-2016 – nil) largely as a result of the private placement which closed in June 2017.

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 2017, the Company had working capital[1] of $4,268,191 as compared to working capital of $3,880,224 at December 31, 2016, representing an increase in working capital, and in liquidity, of $387,967 as a result of the private placement which closed in June 2017 adding $1,008,602 to working capital.

A deferred income tax liability of approximately $3.7 million is a result of the settlement with the Province of British Columbia. This liability can be eliminated by spending approximately $13.6 million on Canadian acquisitions and exploration expenditures within the next 8 years.

The Company's ability to continue as a going concern is dependent on the ability of the Company to raise additional equity financing or the attainment of profitable operations. There are no assurances that the Company will be successful in achieving either one of these goals. Although the Company has been successful in raising funds to date, there can be no assurance that adequate or sufficient funding will be available in the future, or under terms acceptable to the company. The Company's discretionary activities do have considerable scope for flexibility in terms of the amount and timing of expenditures, and expenditures have been adjusted accordingly.

[1] Working capital is a non-GAAP measure and is defined as "current assets less current liabilities"

RELATED PARTY TRANSACTIONS

Key management compensation

Key management personnel at the Company are the directors and officers of the Company. The remuneration of key management personnel during the nine months ended September 30, 2017 and 2016 was as follows:

	Nine months ended September 30,	
	2017	**2016**
Share-based compensation	$ -	$ -
Director remuneration	$ **54,131**	$ 36,946
Officer remuneration	$ **245,473**	$ 76,370

Remuneration consists exclusively of salaries, bonuses, health benefits and consulting fees.

Related party transactions are measured in the normal course of business at the exchange amount as agreed by the parties.

In relation to short term benefits as defined above: during the nine months ended September 30, 2017, Keewatin Consultants (2002) Ltd was paid $26,500 (2016: $40,500) for services of Mr. Netolitzky as Chief Executive Officer during 2016 and as a Director and consultant in 2017. Ron Stewart was paid $199,449 (2016: $9,315) for services as the Chief Executive Officer during 2017 and Director in 2016; Forde Management & Associates Ltd. was paid $nil (2016: $20,240) for services of the Chief Financial Officer, Andrew MacRitchie was paid $46,024 (2015: $nil) for services of the Chief Financial Officer and other administrative services. Each of the directors who were not otherwise compensated in cash were paid $1,000 per month for their service. Other than the amounts disclosed above, there were no short-term employee benefits or share-based payments paid to key management personnel during the nine months ended September 30, 2017 and 2016.

In addition to the amounts in the above table, $20,239 (2016 - $24,854) was paid to Skeena in exchange for office rent and certain administrative and accounting services provided to the Company.

The Company subscribed for 18,750,000 units of Skeena at a price of $0.08 per unit, in a private placement which closed on July 22, 2016. Each unit consisted of one common share and one half of one share purchase warrant. Each whole warrant is exercisable for a period of three years at $0.12 in the first year, $0.14 in the second year, and $0.16 in the third year.

On February 8, 2017, Eros exercised two million warrants in Westcore at an exercise price of $0.15. Prior to the transaction, Eros owned two million common shares of Westcore, and two million warrants, exercisable at $0.15 for common shares of Westcore. This represented a 6.85% undiluted, or 12.82% partially diluted ownership percentage of Westcore. Through the exercise of these warrants, Eros's ownership of Westcore increased to four million common shares. In addition, Eros maintained its approximate ownership stake in Westcore by purchasing 400,000 units in a private placement on May 16, 2017, increasing Eros' ownership of Westcore to 4.4 million common shares. Each unit was priced at $0.15 and consisted of one common share and one warrant, exercisable to purchase one common share at a price of $0.25 until May 16, 2019.

See also notes 6, 7 and 10 of the unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2017 and 2016: Note 6, in relation to the earning of an interest in a property of Skeena's; Note 7 in relation to the Chateau Fort gold property, optioned to Tarku, and the Flaxcombe project interest acquired from Westcore; and Note 10 in relation to promissory notes receivable from Tarku and Lincoln. Skeena, Tarku, Westcore, Beaufield Resources Inc. and Lincoln each are related to Eros by virtue of having at least one director or officer in common with Eros.

OFF BALANCE SHEET ARRANGEMENTS

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

PROPOSED TRANSACTIONS

There are no proposed transactions.

NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET EFFECTIVE

Certain new standards, interpretations and amendments to existing standards are not yet effective and have not been applied in preparing these financial statements. These standards are described in note 3 of the unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2017 and 2016.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair Values

The Company's carrying values of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities approximate their fair values due to their short term to maturity.

Credit Risk

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and accounts receivable. The Company deposits cash and cash equivalents with high credit quality financial institutions. The total exposure of the Company to credit risk is represented by the carrying value of cash and cash equivalents and accounts receivable as shown in the balance sheet.

Interest Rate Risk

Included in the income for the period in these financial statements is interest income on Canadian dollar cash and cash equivalents. If interest rates throughout the period ended September 30, 2017 had been 10 basis points (0.1%) higher (lower) then net income would have been approximately $1,500 higher ($1,500 lower).

Liquidity Risk

The Company is subjected to liquidity risk to the extent of its accounts payable and accrued liabilities only. These amounts, as shown in the Company's balance sheet, all mature within 90 days of September 30, 2017.

RISKS AND UNCERTAINTY

Success in the mining and oil exploration business is measured by a company's ability to raise funds, secure properties of merit and, ideally, identify commercial deposits on one of its properties. The attainment of these objectives is influenced by many factors not necessarily within management's control.

Risk factors include political risks and government interference, the establishment of undisputed title to mineral properties, environmental concerns and obtaining governmental permits and licenses when required.

The resource industry is intensely competitive in all of its phases, and the Company competes with many companies possessing far greater financial resources and technical facilities. Competition could adversely affect the Company's ability to acquire, explore and develop properties in the future.

The ability to raise funds is in part dependent on the state of the junior resource stock market, which in turn is dependent on the economic climate, metal prices and perceptions as to market trends.

The Company limits its exposure to credit loss by placing its cash with major financial institutions.

The investment in expenditures on exploration and evaluation assets comprises a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, and either the attainment of successful production from the properties or from the proceeds of their disposal.

Mineral exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored ultimately develop into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore. The amounts shown for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values. These costs will be depleted over the useful lives of the properties upon commencement of commercial production or will be written off if the properties are abandoned and the claims are allowed to lapse.

CONFLICTS OF INTEREST

Some of the directors of the Company are also directors of other companies that are similarly engaged in the business of acquiring, exploring and developing natural resource properties. Such associations may give rise to conflicts of interest. In particular, one of the consequences will be that corporate opportunities presented to a director of the Company may be offered to another company or companies with which the director is associated, and may not be presented or made available to the Company. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company, to disclose any interest which they may have in any project or opportunity of the Company, and to abstain from voting on such matter. Conflicts of interest that arise will be subject to and governed by the Business Corporations Act (British Columbia), applicable securities law, and the procedures prescribed in the corporate governance guidelines published by the BCSC and TSX-V.

OTHER MANAGEMENT'S DISCUSSION AND ANALYSIS

Additional disclosure for venture issuers without significant revenue:

Capital Stock updated to *November 29, 2017*:

Authorized:

Unlimited number of voting common shares
Unlimited number of redeemable, retractable, convertible, preferred shares

Issued:	48,446,854	common shares at Sep 30 & Nov 29, 2017
Options:		
	431,250	at $0.1333 until March 10, 2019
	225,000	at $0.16 until May 22, 2019
	375,000	at $0.1733 until June 3, 2020
	675,000	at $0.1733 until June 5, 2020
	1,325,000	at $0.20 until August 16, 2021
	3,031,250	options outstanding at Sep 30 & Nov 29, 2017
Warrants:		
	3,243,375	warrants outstanding at Sep 30 & Nov 29, 2017 exercisable at $0.25 until June 19, 2019, and at $0.30 from June 19, 2019 until June 19, 2020
Fully diluted:	54,721,479	common shares at Sep 30 & Nov 29, 2017