MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2017

This Management Discussion and Analysis ("MD&A") of the financial condition and results of operations has been prepared as at November 29, 2017 and should be read in conjunction with Viscount Mining Corp.'s (the "Company", "Viscount") consolidated financial statements for the year ended August 31, 2017. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The financial statements of the Company are presented on a consolidated basis with the Company's wholly owned Canadian and US subsidiaries, in accordance with IFRS. Except as otherwise disclosed, all dollar figures included therein, and in this MD&A, are reported in Canadian dollars.

The Company is a reporting issuer in the provinces of British Columbia and Alberta in Canada, and is listed on the TSX Venture Exchange under the trading symbol VML.

To assist shareholders and potential investors to learn more about Viscount Mining Corp. and its mineral projects, the Company maintains a website that provides information regarding its portfolio of exploration properties in Nevada comprising of over 9,000 acres of patented and unpatented claims, all 100% owned including more than 20 past producing silver and gold mines. Silver Cliff in Colorado is comprised of 96 lode claims, covering much of the historical past producing mineral districts of Silver Cliff and Rosita Hills. Readers are encouraged to visit the site at www.viscountmining.com as well as review the Company's press releases and other public filings available on SEDAR (www.sedar.com).

Introduction

This MD&A contains forward-looking statements that involve risks and uncertainties. The Company's actual results may differ materially from those discussed in forward-looking statements as a result of various factors, including those described under "Forward-Looking Information".

Forward Looking Information

This MD&A contains "forward-looking information" and "forward-looking statements" (together, "forward looking statements") within the meaning of Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. Such forward-looking statements concern the Company's anticipated results and developments in the Company's operations in future periods, planned exploration and development of its properties, plans related to its business and other matters that may occur in the future. These statements also relate to the ability of the Company to obtain all government approvals, permits and third party consents in connection with the Company's exploration and development activities; the Company's ongoing drilling program; the Company's future exploration and capital costs, including the costs and potential impact of complying with existing and proposed environmental laws and regulations; general business and economic conditions; analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. Statements concerning mineral resource estimates may also be deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if the property is developed. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward looking statements. While the Company has based these forward-looking statements on its expectations about future events as at the date that such statements were prepared, the statements are not a guarantee of the Company's future performance and are subject to risks, uncertainties, assumptions and other factors which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Such factors and assumptions include, amongst others, the effects of general economic conditions, the supply and demand for gold and silver and the level and volatility of prices of gold and silver, the availability of financing to fund the Company's ongoing and planned exploration and possible future mining operation on reasonable terms, changing foreign exchange rates and actions by government authorities, market competition, risks involved in mining, processing, exploration and research and development activities, the political climate, the Company's ongoing relations with its employees and with local communities and local governments, and uncertainties associated with legal proceedings and negotiations and misjudgments in the course of preparing forward-looking statements. In addition, there are also known and unknown risk factors which may cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation:

- risks related to the Company's exploration of its Silver Cliff property. There is no certainty that past results can be replicated in current or future exploration.
- risks related to the Company's lack of revenues from operations and its continued ability to fund ongoing and planned exploration and possible future mining operations;
- risks related to the Company's history of losses, which will continue to occur in the future;
- risks related to governmental regulations;
- risks related to the uncertainty of the Company's ability to attract and retain qualified management;
- risks related to the Company's ability to successfully establish mining operations or profitably produce precious metals;
- volatility in the market price of gold, silver and other minerals which could affect the profitability of possible future operations and financial condition;
- risks related to currency volatility;
- risks related to the inherently dangerous activity of mining, including conditions or events beyond the Company's control;
- uncertainty as to actual capital costs, operating costs, production and economic returns relating to potential mining operations;
- uncertainty in the Company's ability to obtain and maintain certain permits necessary for current and anticipated operations;
- risks related to the Company being subject to environmental laws and regulations;
- risks related to land due to inability to meet contractual obligations;
- risks related to the Company's ability to attract necessary capital funding for mineral exploration in the future;
- risks related to officers and directors being or becoming associated with other natural resource companies which may give rise to conflicts of interests; and
- the volatility of the Company's common share price.

This list is not exhaustive of the factors that may affect the Company's forward-looking statements. Some of the important risks and uncertainties that could affect forward-looking statements are described further in this MD&A under "Risk Factors". Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward looking statements. Forward-looking statements are made based on management's experience, beliefs, estimates and opinions on the date the statements are made, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by law.

Investors are cautioned against attributing undue certainty to forward-looking statements.

Overall Performance

The Company is a mineral exploration company incorporated under the laws of British Columbia, Canada and, together with its subsidiaries, is engaged in the exploration and development of mineral properties in Cherry Creek, Nevada and Silver Cliff, Colorado.

After having secured funding late in 2010, the Company, during 2012, escalated exploration and evaluation activity. The Company focused its efforts on a program designed to understand previously disclosed historical resource estimates, as described in the latest National Instrument 43-101 compliant Technical Report dated May 20, 2013, and currently on file at SEDAR.

- On November 28, 2017, the Company announced the first assays results of the Phase 2 drilling program in Silver Cliff, Colorado that commenced in mid-October. The primary objective is the verification of historical drill results for current mineral resource estimation on one of the Silver Cliff deposits known as the Kate silver resource. A second objective is to test the potential for deeper silver mineralization. The Company reported values from DDH P17002, the first of 10 holes. Drill hole DDH P17002 assayed 90.35 grams per tonne (2.91 ounces per ton) silver from surface to 34.5 metres (113 feet) including an 18 m (59 feet) portion averaging 120.58 g/t (3.88 oz./t).

- On October 25, 2017, the Company announced they have commenced Phase 2 of their drilling program in Silver Cliff, Colorado to both confirm and potentially add on to the historical resource estimate. In the planned Phase 2 drill program Viscount will be drilling 10 holes at Silver Cliff, twinning drill holes completed in the past that comprise a portion of the historical silver resource on the property.

- On September 19, 2017, the Company announced its Phase 2 twin drilling program at Silver Cliff, Colorado. Results will assess upside potential and contribute to the verification of historical resources at the nearly flat-lying Kate Silver Deposit which at less than 70 feet (21 metres) depth, and up to 88 feet (27 metres) apparent true thickness, would have open pit mining potential. Viscount has contracted Arseneau Consulting Services (ACS) to provide overall supervision of the drill program. Dr. Gilles Arseneau, a professional geologist, has chosen 10 of the Kate Silver Deposit historical drill holes to be twinned. They will be drilled to an average depth of about 328 feet (100 metres) versus an average of 197 feet (60 metres) for historic drilling at Kate.

- On August 28, 2017, the Company completed a non-brokered private placement, raising gross proceeds of $1.25-million from the issuance and sale of five million units at a price of 25 cents per unit. Each unit consists of one common share of the company and one share purchase warrant. No new insiders were created, nor any change of control occurred, as a result of this private placement. Each warrant will entitle the holder thereof to purchase one additional common share of the issuer for a period of one year from the closing date at an exercise price of 35 cents per warrant share. The issuer has the right to accelerate the expiry date of the warrants in the event that the shares trade on a recognized exchange at more than 50 cents for a 15-day period, which can include days where no shares trade.

- On July 18, 2017, the Company had appointed Dr. Gilles Arseneau to complete a National Instrument 43-101 report of its historical and current data from drilling and sampling at its Silver Cliff project in Colorado. Dr. Arseneau holds a PhD in geology from the Colorado School of Mines, an MSc from the University of Western Ontario (1984) and a BSc from the University of New Brunswick.

- On June 27, 2017, the Company entered into a long-term extension on the previous access and mineral rights agreement for the area at Silver Cliff including the Kate deposit (the KSR) located adjacent to the town of Silver Cliff in the state of Colorado. The final lease/option agreements entered into with the underlying holders of the mineral rights are consistent with the previously announced terms and conditions and now provide for greater security and certainty of Viscount's rights and interests. Viscount increased its land long term land holdings in Silver Cliff by another 46.43 acres for a total of 2,029 acres. In addition, the Company has acquired partial interest in an aggregate pit lease known as the Silver Cliff Pit area (the "Silver Cliff Pit Lease").

- On May 23, 2017. The silver-bearing strata are attested by the qualified person to be altered tuffaceous and fragmental rhyolites as described in U.S. Geological Survey reports cited below rather than a silicified stromatolite or limestone reef as was reported in the company's Dec. 21, 2016, and Jan. 19, 2017, news release quotes. The altered, fragmental and near-horizontal nature can be seen in the two accompanying photos of core from vertical hole K16-03. The marked 97- to 102-foot interval assayed 258.1 grams per tonne (8.3 ounces per ton) silver, from 102 to 107 feet assayed 693.6 g/t (22.3 ounces per ton) Ag, and from 107 to 112 feet assayed 80.9 g/t (2.6 ounces per ton) Ag. A 55-foot interval of K16-03 core from 57 to 112 feet averaged 141.5 g/t (4.55 ounces per ton) Ag. The true widths of the drill hole intersections cannot be determined from the information available.

- On May 1, 2017, the Company announced it has identified promising gold and silver exploration targets on its 100-per-cent-owned Cherry Creek project in northwestern White Pine county, Nevada. The Company went on described various sections of the properties and its mineralogy.

- On April 18, 2017, the Company announced that Dr. Robinson who was a senior consulting geologist for Summit Mining Exploration Inc., a wholly owned subsidiary of Sumitomo Corp., and was involved with all aspects of the initial two-year evaluation program of Viscount Mining's Cherry Creek property. His responsibilities included comprehensive geologic mapping, geochemical sampling, drill target generation, drilling supervision and subsurface interpretations has consented to join the Company's Technical Advisory Board.

- On March 29, 2017, the Company announced the results of its 2016 drill program executed by Summit. Summit's initially proposed 2016 program was expanded to include: (1) drilling 32 reverse circulation holes in the Flint Canyon target area; (2) geologic mapping at a scale of 1:2,500 in the area south and west of the Flint Canyon target and in the north end of Silver Canyon, several kilometres to the east; (3) collection of 412 rock-chip samples for geochemical analysis; and (4) collection of 1,868 soil samples for geochemical analysis in a grid that covers the Flint Canyon target area with extensions in all directions. For all the results of the drill program, please refer to the Company's website. Furthermore the Company announced that Summit has elected to exit the agreement and has given Viscount all the exploration data and information. Viscount now has complete control of the Cherry Creek property.

- On January 19, 2017, the Company released further drill results from the Silver Cliff property in the Hardscrabble silver district of Custer county, Colorado. Nine holes with a total of 1,502 feet (457.8 meters) were completed in the recent program . A summary of drill intersections for which assays can be found on the Company website.

- On December 21, 2016, the Company announced assay results from the Silver Cliff property for confirmation hole K16-01 drilled at an inclination of -60 degree averaged 1,778 parts per million (ppm, i.e. g/t and which equals 57.2 oz/t) over 20 ft. (6.1 m) from 60 to 80 ft. (18.3 to 24.4 m) of core interval. Each analyzed sample in this interval represented 5 ft. (1.52 m). The 50 ft. (15.24 m) of mineralized core from 55 to 105 feet (16.76 to 32.00 m) averaged 837.35 ppm (26.92 oz/t). The collar of K16-01 was estimated from historic maps and field evidence to be within 4 ft. (1.2 m) of historical drill hole DDH 73-2 for which reports show 1,927.7 g/t silver over 13.5 m (62 oz/t over 44.29 ft.).

- On November 22, 2016 the Company announced its revised drill plan for Cherry Creek to increase to 34 holes from 11 sites for 24,000 feet (7,317 m). The program continued to the end of November.

- On November 16, 2016, the Company commenced drilling of its Silver Cliff property in the Hardscrabble silver district in Custer County, Colorado. In this first phase of core drilling, the Company planned to complete 10 holes totaling 2,000 feet (610 metres).

- On September 13, 2016, the Company announced that in late July, 2016, the Company completed over 30 line miles of magnetic geophysical surveying at the Silver Cliff property. The resulting extensive data package has subsequently been compiled and clearly shows a good correlation between high magnetic responses and silver mineralization encountered by historical drilling. Not only do the high magnetic responses correlate with known silver mineralization, but there also are other high response zones that remain open or untested by drilling.

- On September 7, 2016, the Company announced that the phase 1 drilling had commenced at Flint Canyon, and is being managed and financed by Summit Mining Exploration Inc., a wholly owned U.S. subsidiary of Sumitomo Corp., under the exploration earn-in agreement. Phase 1 drill program at Flint Canyon is reverse circulation (RC).

- During the year ending August 31, 2016 the Company issued 2,047,422 shares for warrants exercised at between $0.25 and $0.70 per warrant for total proceeds of $511,856.

- On August 10, 2016, the Company announced the phase 4 soil geochemical survey was concluded, and results for gold are included in the May to June activity report issued by Summit for Flint Canyon on the Cherry Creek property.

- On July 6, 2016, the Company announced its phase 1 exploration program at the Silver Cliff property in Colorado. The project will begin by identifying historic drill collar locations, surface sampling, detailed geologic mapping, geophysics and geochemistry. The Company drilled last year for the confirmation of the historical geological work On June 23, 2016 and approved by the TSX on June 27, 2016, the Company closed the second and final tranche of the brokered private placement led by Gravitas Securities Inc. and previously announced in its news release of April 25, 2016, raising gross proceeds, with the first tranche which closed on May 31, 2016, of $2.3 million from the issuance and sale of 4.6 million units at a price of $0.50 per unit. Each unit consists of one common share of the company and one share purchase warrant. No new insiders were created, nor any change of control occurred, as a result of this private placement. Each warrant will entitle the holder to acquire one common share at an exercise price of $0.70 for a period of 24 months from the closing date of the private placement.

- On June 22, 2016, the Company announced that approval had been received for new drill hole pad locations, sumps and road construction at Flint Canyon under a notice of intent submitted to the Nevada Bureau of Land Management.

With this approval, Viscount will have a 7,046-foot new road providing access for phase 1 of the 2016 reverse circulation drill program, which will consist of approximately 18 holes totaling 4,380 metres (14,366 feet).

- On May 31, 2016 the Company closed on the first tranche of a private placement raising gross proceeds of $1,225,000 from the issuance and sale of 2,450,000 Units at a price of $0.50 per unit. Each Unit consists of one (1) common share ("Common Share") of the Company and one (1) share purchase warrant ("Warrant").

  Each Warrant will entitle the holder to acquire one (1) Common Share at an exercise price of $0.70 for a period of 24 months from the closing date of the Private Placement. In the event that the Company's common shares trade at a closing price on the Exchange of greater than $0.85 per share for a period of 20 consecutive trading days at any time after the closing date, the Company may accelerate the expiry date of the Warrants by giving notice to the holders thereof and in such case the Warrants will expire on the 30th day after the date hereafter referred to as the ("Eligible Acceleration Date") on which such notice is given by the Company. The Company plans to use some of the net proceeds of the Private Placement for the advancement of the Company's 100%-owned Silver Cliff property in Colorado

- On April 25, 2016, the Company announced on a best efforts basis through Gravitas Securities a private placement for 4,000,000 units (each "Unit") at a purchase price of $0.50 per Unit, for aggregate gross proceeds to the Company of up to $2,000,000.
- On April 6, 2016, the Company provided information on the 2016 work program planned by the earn-in party, Summit Mining Exploration Inc., on the Cherry Creek property in Nevada. The program includes: satellite imagery; detailed mapping, interpretation of faulting and structures and development of a structural and lithological reconstruction model of the Cherry Creek range; mapping and sampling data transfer from ArcGIS to the Vulcan program to allow for three-dimensional geological interpretation and modelling; and, property wide drilling budgeted for 32 holes at 24,000 feet (7,320 metres).
- On February 10, 2016, the Company announced that business and mining executive Peter Espig has consented to join Viscount Mining Corporation's advisory board.
- On February 4, 2016, the Company announced results from Summit Mining's 2015 drill program on the Cherry Creek property. Twelve reverse circulation (RC) drill holes were completed in the historic silver mining area spanning the Ticup Mine, Doctor's Cut and Jacob's Cut area. Hole depths ranged from 79.3m (260 ft) to 329.3m (1,080 ft), with a total of 2,224.1m (7,297 ft) completed (see the Company's website www.viscountmining.com for results).
- In January 2016, in accordance with the Earn-in Agreement, Summit paid the $7,500 required under the Mine Lease and Agreement to Purchase the Ticup Property.
- On October 29, 2015, the Company announced that the area known as Flint Canyon exhibits alteration and mineralization characteristic of Carlin-type gold deposits (CTD's). Viscount also stated that the 2016 Cherry Creek exploration program will start at Flint Canyon with a soil sampling program combined with continued detailed geologic mapping and a drilling program.
- On October 14, 2015, the Company confirmed that Phase 1 drilling had commenced at its flagship Cherry Creek Nevada Property (the "Property"), under a program managed and funded by Summit.
- During the year end August 31, 2016, the Company issued 75,000 shares in accordance with property agreements at a fair value of $0.37 per share, for a total value of $27,750.

Disclosure of Technical Information on Mineral Projects

References in this MD&A to mineral resources are pursuant to the requirements of National Instrument 43-101, Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators ("NI 43-101").

"Technical aspects of this MD&A were reviewed by Dallas W. Davis, P.Eng, FEC, a consulting geologist who is a life member of the Association of Professional Engineers and Geoscientists of New Brunswick, is independent of the Company and is a Qualified Person, both as defined under National Instrument 43-101 *Standards of Disclosure for Mineral Projects.*

- **Company Overview**

The Company was incorporated under the British Columbia Business Corporations Act on October 26, 2011 and was classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange ("TSXV").

On July 23, 2013, the Company completed a share exchange (the "Share Exchange") with Viscount Mining Resources Ltd. ("Viscount Resources") and all of the shareholders of Viscount Resources. Concurrently with the Share Exchange, the

Company also changed its name to Viscount Mining Corp. and completed a consolidation of its common shares on the basis of one post-consolidation share for every two pre-consolidation shares. For accounting purposes, the transaction described above has been treated as a Reverse Takeover ("RTO") and the accounting records of Viscount are reported prior to July 23, 2013, the date of the share exchange.

The Company's registered office is located at Suite 409 – 221 West Esplanade, North Vancouver, BC, V7M 3J3. The Company is an exploration company with a portfolio of properties in the Western United States including holdings in Nevada comprising more than 9,000 acres of patented and unpatented claims, all 100% owned, including more than 20 past producing silver and gold mines. The Silver Cliff property in Colorado is comprised of 96 lode claims, covering much of the historical past producing mineral districts of Silver Cliff and Rosita Hills.

- **Directors & Management**

Mr. James MacKenzie	Director, President, Chief Executive Officer
Mr. Kaare Foy	Director, Chairman of the Board
Mr. William MacDonald	Director, Corporate Secretary
Mr. Andrew Gertler	Director
Dr. Grant Devine	Director
Mark Abrams	Director
Mr. Derick Sinclair, CPA, CA	Chief Financial Officer

Exploration and Evaluation Properties

NEVADA properties

Nevada Properties, described collectively as our Cherry Creek Project, consists of more than 9,000 acres and lies within a historic silver district, where high grade silver production came from numerous mines up to the 1920's. The three largest past producing silver mines on the property were the Exchequer/New Century Mine, Ticup and the Star Mine.

Cherry Creek 1 Property (described below in 4.B as "The First Cherry Creek Claims")

On March 31, 2011, the Company entered into a Mining Lease and Agreement to Purchase for certain patented and unpatented mining claims located in White Pine County, Nevada (the "Cherry Creek 1 Property"). On March 13, 2013, April 19, 2013, May 21, 2013, and June 2014 the agreement was amended. Under the terms of the amended agreement, the Company has made payments totaling US$551,500 in cash and shares detailed below and the owner has transferred title to the Cherry Creek 1 Property to the Company.

i. US$10,000 within 15 days of signing of the agreement (paid);
ii. US$10,000 on or before March 31, 2012 (paid);
iii. US$75,000 and issue 375,000 common shares at a deemed price per share of $0.20 for a total value of $75,000 on or before March 31, 2013 (paid and issued);
iv. US$181,500 on or before October 1, 2014 (paid); and
v. US$200,000 on or before March 31, 2015 (paid).

The Company will pay the owner a Net Smelter Royalty ("NSR") of 1.5% of net smelter proceeds.

On March 31, 2011, the Company granted a NSR of 1% to Kingsmere Mining Ltd. in recognition of their efforts in the acquisition of the Cherry Creek 1 Property.

A. **The First Cherry Creek Claims**

The First Cherry Creek Claims are comprised of the following unpatented and patented claims:

Unpatented

Name of Claim	Acres	Sec.	T.	R.	BLM No.
Only Chance	20	19	24 North	63 East	NMC #973017
Chequer No. 08	20	19	24 North	63 East	NMC #873018

Patented claims

Name of Claim	Acres	Parcel No.	T.	R.	Patent No.
Ben Butler	10.95	099-025-01	24 North	63 East	250170
Big Giant	20.08	099-025-02	24 North	63 East	6167
Emma	20.08	099-025-14	24 North	63 East	250170
Exchequer	20.66	099-025-15	24 North	63 East	5700
Jim Blaine	20.25	099-025-18	24 North	63 East	250170
Little Giant	20.20	099-025-20	24 North 63	East	250169
Logan	19.52	099-025-21	24 North	63 East	250170
New Century	18.89	099-025-36	24 North	63 East	250170
Old Imperial	16.55	099-025-41	24 North	63 East	250170

The First Cherry Creek Claims are also subject to a 1% net smelter royalty from the gross revenue received from the sale of mineral products from the First Cherry Creek Claims less allowable deductions granted by Viscount to Kingsmere Mining Ltd. ("Kingsmere") as consideration for Kingsmere's efforts in completion of the Ruggles Agreement (the "First Kingsmere Royalty"). The First Kingsmere Royalty is transferable by Kingsmere subject to a right of first refusal in favour of Viscount.

B. Second Cherry Creek Claims

On June 27, 2011, the Company entered into a Mining Lease and Agreement to Purchase for certain patented and unpatented mining claims and two mill sites located in White Pine County, Nevada (the “Cherry Creek 2 Property”). On May 21, 2013 and June 23, 2014, the agreement was amended. Under the terms of the amended agreement the Company has made payments totaling US$450,000 as detailed below and the owner has transferred title to the Cherry Creek 2 Property to the Company.

i. US$30,000 within 15 days of signing the agreement (paid);
ii. US$20,000 on or before June 27, 2012 (paid);
iii. US$30,000 on or before October 1, 2014 (paid); and
iv. US$370,000 on or before May 1, 2015) (paid).

The Company will pay the owner a NSR of 1% of net smelter proceeds.

On June 27, 2011, the Company granted a NSR of 1.5% to Kingsmere Mining Ltd. in recognition of their efforts in the acquisition of the Cherry Creek 2 Property.

In August 2014, the Company acquired 139 claims from Nevada Tungsten Holdings Ltd. for US$5,000 (CDN$5,500) the HENW claims and staked an additional 155 the MATS claims lode claims for $18,101 in the Cherry Creek area.

The Second Cherry Creek Claims are comprised of the following unpatented and patented claims:

Unpatented

Name of Claim	Acres	Sec.	T.	R.	BLM No.
October	20	NW 29	24 North	63 East	NMC #551764
June Bug	20	SE 19	24 North	63 East	NMC #125828
Cherry Creek #5	20	NE 29	24 North	63 East	NMC #125820
Cherry Creek #6	20	NE 29	24 North	63 East	NMC #125821
Ashley B	20	19/29/30	24 North	63 East	NMC #650072
Ashley B 1	20	19/29/30	24 North	63 East	NMC #351644
North Star	20	NE 19	24 North	63 East	NMC #704348
Ticup Millsite #2	20	NW 19	24 North	63 East	NMC #351651
Ticup Millsite #3	20	NW 29	24 North	63 East	NMC #352652
Keithley Fraction	20	19,30	24 North	63 East	NMC#351649
Name of Claim	**Acres**	**Sec.**	**T.**	**R.**	**BLM No.**
Foggy Fraction	20	19,30	24 North	63 East	NMC #395299
Good Enough	20	19,30	24 North	63 East	NMC #395300
Keithley Fraction	20	19	24 North	63 East	NMC #648544
Ashley B 3	20	19/25/30	24 North	63 East	NMC #351646
Good Enough 31	20	19/25/30	24 North	63 East	NMC #576046
Cherry Creek # 10	20	SE 19	24 North	63 East	NMC #125822

Patented

Name of Claim	Acres	Parcel No.	T.	R.	Patent No.
Mascot	20.88	099-025-22	24 North	63 East	79655
Chief of Hills	17.80	099-025-09	24 North	63 East	79655
Gray Eagle	15.60	099-025-17	24 North	63 East	3283
Star	20.66	099-025-44	24 North	63 East	2691
West Extension of Star	20.88	099-025-48	24 North	63 East	79655
East Extension of Star	10.27	099-025-12	24 North	63 East	7033

The Second Cherry Creek Claims are also subject to a 1.5% net smelter royalty from the gross revenue received from the sale of mineral products from the Second Cherry Claims less allowable deductions granted by Viscount to Kingsmere as consideration for Kingsmere's efforts in completion of the Sorensen/Winkler Agreement (the "Second Kingsmere Royalty"). The Second Kingsmere Royalty is transferable by Kingsmere subject to a right of first refusal in favour of Viscount.

C. Third Cherry Creek Claims

Subsequent to the date of the Ruggles Agreement and the Sorensen/Winkler Agreement, Viscount, through its wholly-owned subsidiary, Viscount Nevada Holdings Ltd, acquired certain additional unpatented claims in the surrounding area of the Cherry Creek Property (the "Third Cherry Creek Claims").

D. Ticup Property

On January 29, 2013, the Company entered into a Mining Lease and Agreement to Purchase for certain unpatented mining claims located in White Pine County, Nevada (the "Ticup Property"). The agreement was amended on February 28, 2013. The terms of the agreement call for the Company to make lease payments totaling US$32,500 detailed below. In accordance with the agreement the Company made a payment of US$5,000 within 5 days of signing of the agreement and the owner transferred title of the Ticup Property to the Company by Quitclaim Deed.

i. US$5,000 within 5 days of signing of the agreement (paid);
ii. US$5,000 on or before January 29, 2014 (paid);
iii. US$5,000 on or before January 29, 2015 (paid);
iv. US$7,500 on or before January 29, 2016; (paid) and
v. US$10,000 on or before January 29, 2017. (paid)

Former Mines on the Properties

Star Mine (Excerpt from Technical Report dated May 20, 2013)

Most of the work on the Star Mine was done during the period from 1872 to 1883. Starting in 1880, heavy water inflow was encountered in the 350 level, and the Star crosscut tunnel was driven for drainage. Work continued until 1893 when no recovery from the silver crash finally brought the work to a halt.

In 1895, the Glasgow and Western Company started advancing the Star tunnel 800 feet west, but after 400 feet the vein disappeared. A crosscut to the north failed to find the vein. Three un-successful attempts to mill ore locally failed, and the mine closed again in 1910. In 1913, a new company began to operate the mine using British capital, but closed in 1914 due to the war.

The Star was worked intermittently for the next ten years, until the Nevada Standard Mining Co. took over. In 1927, a crosscut to the south discovered the vein, and the Walker drift was driven, which was named after the mine manager. Following the stock market crash of the 1920s the mine experienced a steady decline. The last major accomplishment was the driving of the Goodman drainage tunnel that intersected the Star shaft at the 700 foot level. It was completed in 1936.

Gray Eagle (Excerpt from Technical Report dated May 20, 2013)

The Gray Eagle shaft is located about 275m northwest of the Star main shaft. It was sunk to a depth of 64m on a vein that cuts shale, limestone and quartzite and strikes N 60 E, and dips 45 NNW, close to the strike and dip of the host rocks.

Exchequer/New Century (Excerpt from Technical Report dated May 20, 2013)

The Exchequer and Imperial (New Century) mines are some of the oldest in the district, and were considered the northern part of the Star Group of claims (Schrader 1931). The mines are located 1,160m NNW of the Star shaft and about 122m higher in elevation. There are two veins that are roughly parallel, 9 to 18m apart, and strike N 80 W. They are called the Exchequer to the north and the Blue Vein to the south. They are separated by a quartz monzonite that is hosted in argillite, shale and quartzite. They can be traced for about 915m.

The Imperial Mine is located on the east side of Exchequer Canyon, and was originally opened as an adit, 183m long, and a 98m shaft. The vein consists of brecciated quartzite, that is quartz cemented and associated with the quartz monzonite. The Blue Vein forms the south wall of the fault zone. The ore is not as complex as the Star ore, and was amenable to cyanidation.

The Exchequer Mine, on the opposite side of the canyon was developed by a 366m adit and a 67m shaft.

In the early 1980's, Goldera Resources Inc. began to rehabilitate and explore the Exchequer and the New Century Mines. They rehabilitated the shaft at the New Century and drove a decline to the 67m level. Only a few assays are available from this work at the present.

Teacup-Mother Lode (Excerpt from Technical Report dated May 20, 2013)

The Ticup (Tecup, Teacup) was operated in the 1890's and again between 1905 to 1912 as a silver mine. In 1940 tungsten was discovered, and the Cherry Creek Tungsten Mining Company was formed.

It is thought that the Ticup is a continuation of the Mother Lode deposit. They both are located on a bedding plane fault between the same lithologic units. The silver ores occur as lenticular bodies that conform with bedding, about 40 degrees west. The shaft at the Ticup was developed in and sunk to a depth of 335m with many levels and drifts. The economic cut-off grades are unknown.

After the tungsten discovery, a 61m shaft was sunk east of the Ticup shaft, and production of tungsten began. The U.S. Bureau of Mines did extensive exploration for tungsten in 1942, apparently as part of the war effort. They rehabilitated mine workings, improved and built roads, trenched, sank shafts, long-holed and core drilled the property. Sixteen holes were drilled in the more important tungsten deposits, totaling 767m. Unfortunately, no analytical data other than that related to tungsten is available from these efforts.

Located on the same lithologic horizon as the Ticup, the Mother Lode is about 1.25km to the north.

Current mineral resources and reserves

No mineral resources or mineral reserves as defined under National Instrument 43-101 have been identified on the Cherry Creek property.

Production (Excerpt from Technical Report dated May 20, 2013)

The Cherry Creek District, has documented historic production of 312,012 tons of ore that yielded 32,450 ounces of gold, 1.6 million ounces of silver, 144,000 pounds of copper, and 832,000 pounds of lead. Tungsten was also produced from the area as part of the World War I effort.

Geological Setting and Mineralization (Excerpt from Technical Report dated May 20, 2013)

General

The Cherry Creek district is within the Basin and Range Tectonic Province of the western US. The Basin and Range Province consists of a series of North to NNE trending mountain ranges separated by broad alluvial basins. The mountain ranges are structurally high areas; the basins are structurally low areas. Complex fault movements resulting from deep seated crustal extension formed the basins and ranges. The crustal extension process began between 30 and 20 million years ago, and is still on going to this day.

The crustal extension, responsible for the numerous faults (many of which may be still active) that formed the Basin and Range, resulted in a thinner crust beneath this tectonic province with respect to the neighboring tectonic provinces. A consequence of this is the presence of an anomalously high geothermal gradient in the Basin and Range which gave rise to the presence of many hot springs throughout the province.

Hot springs are formed by geothermal cells which have been emplaced at depth along the many faults throughout the Great Basin. Epithermal mineral deposits are often formed coincident to hot springs systems (in Nevada, these type deposits are generally gold and silver rich). This process (formation of and cessation of hot spring systems and their coincident mineral deposits) has occurred intermittently throughout the past 30 to 20 million years throughout the Great Basin.

In many cases a younger geothermal cell will be formed in the same or nearby location of an older dormant cell, thus enriching the previously formed mineral deposit. This is an abbreviated description of how a mineral district such as the Cherry Creek District is formed.

Regional geology

Rocks of the lower Paleozoic in eastern Nevada show a sequence of depositional environments, reflecting a stable cratonic boundary with a developing continental shelf. The lower Cambrian Prospect Mountain formation, a quartz arenite reflecting broad braided stream environment, is followed by a sequence of Cambrian through Devonian limestones and dolomites, indicating a low relief stable environment, though the local variations in depositional environments is quite varied. Westward thickening of the sediments reflect deposition towards the edge of the shelf and the slope into deep water eugeoclinal environments.

During Mid-Paleozoic time, the Antler Orogeny began to form to the west of the continental shelf. This resulted in a large scale thrusting of the deeper water silici-clastic, eugeoclinal deposits eastwards over the mioclinal rocks of equivalent or younger ages. The resulting highlands then started shedding clastic sediments towards the east. This sequence is referred to as the eastern autochthonous assemblage (the shelf carbonates), the western allochthonous assemblage (the eugeoclinal silici-clastics) and the overlap or transitional assemblage (clastic sediments resulting from the orogenic uplift).

Beginning in the Mesozoic, the region experienced a period of folding and plutonic and volcanic activity. Igneous rocks from early Jurassic to Eocene were emplaced throughout eastern Nevada. During the waning phase of this orogenic event, an arch developed in eastern White Pine County called the Butte Structural Through (Hose et al 1976). This positive arch created the west dip of the rocks in Cherry Creek and northern Egan range. Beginning in Mid Cenozoic times, the area experienced volcanism and an extensional tectonic domain began, that is possibly still active.

Lithology - Sedimentary Rocks

The stratigraphy in the Egan and Cherry Creek Range ranges in age from late Pre-Cambrian through the Triassic. This section of the report discusses those rocks that are exposed north of Cherry Creek Canyon, and concentrates on the Cambrian section, as all metal deposits are hosted in these sediments with the exception of the Old Last Chance and the Maryanne that are hosted in Tertiary Quartz Monzonite.

Prospect Mountain Formation (Cpm) – This is the oldest recognized unit in the prospect area. In the Cherry Creek project area, the thickness of the formation is about 2,100 m. The exact age of the unit is not certain, but the upper parts of the Prospect Mountain are conformable with overlying shale that contains a distinctive Cambrian trilobite Fauna. It is likely that the lower parts of the Prospect Mountain Formation are Pre-Cambrian in age, especially considering its great thickness. The Prospect Mountain Formation is composed of quartzites and shales, with phyllites in the lower part of the formation and extends from Cherry Creek Canyon, about 12 km to the northeast.

The Prospect Mountain Formation is the dominant rock unit found at the Star, Grey Eagle, Exchequer and New Century deposits; the veins which contain the mineralization are hosted in this unit.

Pioche Shale, Busby, Millard, Burrows, Burnt Canyon and Dome Formations undifferentiated (Clmu) – This unit lies above the Prospect Mountain Formation and is a section of shale, limestone and dolomite that Adair maps as a single unit and consists of several lower Cambrian units identified individually in other places. This composite map unit is about 185 m thick. District wide, the lower third of this unit is predominately shale, the upper two thirds is predominately limestone and dolomite. This unit is separated from the underlying Prospect Mountain Quartzite by a bedding fault horizon.

This unit is found in the foot wall of the Exchequer Fault in the Star-Gray Eagle and the Exchequer-New Century prospect areas, where it is not known to be mineralized. It is found in the hanging wall of the Exchequer Fault in the Filmore-Bluebell prospect area, where the upper contact is mineralized along a bedding plane fault. This unit does not appear to be associated with or near mineralization in any of the other mineralized areas of the project area.

Swasey Limestone (Cs) – This unit is a massive limestone about 176 m thick (in part oolitic), and is conformable with the underlying beds. I t forms massive cliffs which contrast with the overlying, non-resistant Wheeler Shale. It is found in the foot wall of the bedding plane fault that hosts mineralization at the Chance and Ticup prospect areas. It is not known to be mineralized or near mineralization at any other of the prospects controlled by Viscount Mining.

Wheeler Shale (Cw) – This unit is from 194 to 197 m thick and is separated from the underlying Swasey Limestone by a bedding fault horizon. The lower part of this unit is a black to maroon shale; it grades upwards into a silty limestone. The Wheeler Shale is found in the foot wall of the bedding plane fault that hosts mineralization at the Chance and Ticup prospect areas. It is not known to be mineralized or near mineralization at any other of the prospects controlled by Viscount Mining.

Marjum, Weeks and Orr Formations undifferentiated (Cmwo) – The composite thickness of this unit is 1,135m thick and is composed of predominately limestone and dolomite with minor shale. The upper 460m of this unit is composed of a medium to massive bedded sequence of limestones and dolomites, Bedding plane faults in this unit host the Mother Lode prospect on the east side of the range (controlled by Viscount), and the Shoestring and Nora prospects on the west side of the range.

Dunderberg Shale (Cd) – This unit overlies the predominately massive limestone unit mentioned above, and this contact is sharp and is commonly a silicified bedding plane fault. It is an olive to black fossiliferous shale with numerous thin interbedded limestone lenses. This unit is up to 210m thick.

Notch Peak Formation (Cnp) – This is the uppermost Cambrian unit exposed in the Cherry Creek district. It is a thin to medium bedded, slightly argillaceous fossiliferous limestone. The lower contact with the Dunderberg Shale is mapped as a sharp, conformable contact.

In spite of the fact, that the Notch Peak-Pogonip contact is an important mineralized horizon in nearby mountain ranges to the north, there are no historic mineral occurrences associated with the Notch Peak Formation in the Cherry Creek project area. At the present time, Viscount does not control any claims that are underlain by the Notch Peak Formation. Snowden feels that this horizon should be prospected as part of future exploration efforts in the project area. Pogonip Group (Op) – This Lower Ordovician unit is composed of six separate mainly limestone units that are mapped as separate formations elsewhere in Nevada.

In November 2013, Viscount did not control any claims that are underlain by the Pogonip Group. As with the Notch Peak formation, Snowden feels that this horizon should be prospected as part of future exploration efforts in the project area. Eureka Quartzite (Oe) – This quartzite unit, which is up to 30m thick is intermittently present north of the project area. It is mapped as being conformable with both the underlying and overlying units. It is a prominent ledge former where present. It does not underlie any of Viscount's claims.

Fish Haven, Laketown, Sevy, Simonson and Guilmette formations undifferentiated (OSD) – These Upper Ordovician formations were mapped as one unit by Adair. These units are predominately limestones and dolomites with lesser portions of shale.

There are no historic mineral occurrences associated with these units in the Cherry Creek project area.

The Devonian – Mississippian Pilot Shale (DMp), Mississippian Joanna Limestone (Mj) and Chainman Shale (Mc), and the Permo-Pennsylvanian Ely and Arcturus Formations (PPu), while important formations in most of eastern Nevada, do not outcrop in the Cherry Creek Project Area. They are found about eight miles to the south. These formations were eroded in the project area.

<u>Lithology – Intrusive Rocks</u>

Several Tertiary intrusives are present in the project area. The most prominent of these are a series of related quartz monzonite dykes that outcrop on the east side of the range and just north of Cherry Creek Canyon. On its south and east side, the sedimentary rocks are in fault contact with the intrusives. On the west side the intrusives seem to replace the sediments, but the contacts are sharp. Extremely little contact metamorphism is evident. Unaltered quartz monzonite is light grey and phaneritic, and in some places shows phenocrysts of potassium feldspar.

Most likely, these rock units form a series of at least five igneous bodies which interfinger with and intrude each other and were sourced from the same magma chamber. The process of magmatic differentiation was responsible for the minor mineralogical variations between these units. Heat which emanated over long periods of time from these igneous bodies powered the series of hydrothermal cells that were responsible for depositing economic mineralization in the Cherry Creek District.

Mineralogically, the dikes vary in composition throughout the project area. In the Star-Gray Eagle and Exchequer-New Century prospect areas, the dike rocks are quartz monzonite porphyry; probably derived as a late phase differentiation from the large quartz monzonite magma chamber found at depth several kilometers to the south. At the Exchequer-New Century prospect silver and gold bearing veins were emplaced on the hanging wall and foot wall sides of a 15 to 21m wide dike. The dike rock is said to be "milling grade", but this has not been tested as of yet. At the Star-Gray Eagle prospect, the quartz monzonite porphyry dikes are found in close association with silver-gold bearing veins, but not as intimately as at the Exchequer-New Century prospect. Porphyry dikes appear to be associated with mineralization at Viscount's Cherry Creek Project Area, at least at the prospects mentioned above.

<u>Structural Geology</u>

The general structural trend of the north part of the Cherry Creek Mining District is that of a west dipping monocline.

Bedding plane faults

The oldest structures in the area are the bedding plane faults. They are all hosted in the Cambrian sections and have metal deposits associated with them. These faults appear at the contacts between the Prospect Mountain Formation and Pioche Shale, at the contact between the Swasey Limestone and the Wheeler Formation and the Orr and Dunderberg Formations.

The Ticup, Baltic/Mother Lode and Chance are prospects controlled by Viscount, where mineralization was emplaced along bedding plane faults.

Right lateral faults

Three major right lateral faults cut across the range. Two of these, the Black Metal Fault and the Exchequer Fault are in the project area, and both strike to the northeast. They displace the bedding plane faults, but not the intrusives, thus being bracketed in terms of possible age. Both faults appear to be closely associated with mineralized prospects.

The Black Metal Fault is the more northerly of the two and is thought to have the greatest displacement (1,220m). It is persistent, and in the field it is marked by quartz veins silicification and brecciation. Known mineralization associated with this fault is restricted to the NE part of the project area in the vicinity of Silver Canyon.

The Exchequer fault strikes northeasterly across the Cherry Creek District for a distance of about 8 kilometers, dipping steeply to the southeast. There are seven past producing small mines which are found along this fault and several additional in close proximity. The Exchequer fault is definitely a major mineralizing structure in the district. The Exchequer, New Century, Filmore and Bluebell are prospects controlled by Viscount which are along this structure. The Grey Eagle, also controlled by Viscount is in close proximity and is sub parallel to the fault. Soil geochemical work indicates that disseminated mineralization may have been deposited along this fault in the Star Mine-Gray Eagle Mine area.

East-West normal faults

East –West striking faults also exist and are thought to be part of the general development of the northeasterly trending systems. They are not as common, but are significant as the Star vein is hosted by one of these types of faults.

Northeast striking, shallow dipping faults

A northeast striking fault with a dip of approximately 25 degrees southeast is located in the Star-Gray Eagle and Exchequer-New Century area. The fault has a strike length of about 2.5km. Mineralization at the Star-Gray Eagle is hosted in the hanging wall block of this fault. The northeast extension of the New Century quartz monzonite porphyry dike terminates where it encounters this fault.

Mineralization

General

Several different types of mineralization occur in the Cherry Creek District. They are broadly defined as gold quartz veins, silver-gold-base metal veins associated with northeast trending faults, west to northwest trending veins and bedding fault deposits. The gold quartz veins are found in the Egan Canyon area and are not part of the area of interest.

Silver-gold-base metal veins are associated with the northeast trending lateral faults; the Black Metal and the Exchequer veins. The veins tend to be brecciated and associated with the quartz monzonite dikes of the district. Their mineralogy is fairly simple. Initially the oxides were mined and direct smelted, but most of the mines examined in later times seem to have reached the sulfides. The Exchequer, New Century and Black Metal fall into this category.

The only west to northwest veins are the Star vein system. These are more truly quartz veins and cut quartzite and shale of the Prospect Mountain Formation. The Star vein is cut off by the quartz monzonite. The mineralogy of the vein is much more complex than that of the northeast trending veins.

Bedding plane faults deposits are known to occur at three different horizons within the section. They all tend to be capped by shale, and occur in the underlying quartzites or limestones. The lowest are those that occur at the contact between the Prospect Mountain upper quartzite and the overlying Pioche shale.

The second group of known bedding plane fault deposits occurs at the contact of the Swasey limestone and the Wheeler shale. They tend to be developed in the limestone from 2 to 7m wide. It is not known if lower grade material continues further into the limestone. They are found as lenticular bodies of white quartz that have replaced the limestone. The more prominent mines of this group are the Ticup, Chance and Mother Lode (Baltic). The samples taken by Snowden at the Ticup were of a flesh colored silicified breccia that averaged 0.09 gpt gold and 36.08 gpt silver; however, these values are based on only three samples.

The third group of bedding plane fault controlled metal occurrences is found at the contact of the Orr formation and the Dunderberg Shale. They are similar in appearance to the bedding faults that are found at the contact of the Swasey limestone and the Wheeler Shale. The Shoestring and the Nora in Lead Canyon are typical of the third group.

A fourth type of deposit along bedding contacts may or may not be present. In the Peqoup Mountains directly north of the Cherry Creek Range, the newly discovered Long Canyon deposit is found in a karst breccia and solution environment in the Notch Peak Dolomite under the Pogonip Formation. This potential occurrence has not been investigated, or seen as an exploration target to date in the Cherry Creek range.

Description of mineralized zones

The structures visited included the Imperial new Century Mine, the Ticup Mine, the Mother Lode Mine and the Star Mine. The minerals of interest that were identified during the field investigation are shown on Table 7-2, Table 7-3, Table 7-4 and Table 7-5 of the Technical Report dated May 20, 2013 and which can be downloaded from the SEDAR web site, http://www.sedar.com.

Deposit types

Snowden's interpretation is that there are probably two distinct types of mineral deposits present at the Cherry Creek project area. Both are hydrothermal type deposits as defined by Bateman (1951). That is, they were formed by the physio-chemical processes associated with mineral laden hot waters moving through fractures, faults, unconformities, etc. present in a given rock mass.

Mesothermal veins

The Exchequer-New Century veins and the Star veins appear to be classic mesothermal veins. These veins are formed at intermediate depths and are noted for mineralogical persistence with depth down the dip and projection along strike. Economic mineralization is associated with quartz veins and brecciated zones between veins that were emplaced along faults. Gold and silver values are found in fine sulfide minerals that are encapsulated in quartz. It is noteworthy, that these mines were the major past producers in the district and were also silica flux mines providing gold and silver bearing silica flux material for the nearby copper smelter at McGill, Nevada.

Epithermal breccia veins

Several of the bedding plane fault prospects in the district appear to contain mineralized breccias. The Mother Lode (claimed by Viscount) and the Pick and Gad (not claimed by Viscount) prospects, in particular, appear to be associated with epithermal breccias.

Epithermal type deposits in Nevada were formed at relatively shallow depths and are known to not persist down the dip. This unwelcome characteristic is offset by the fact that there are often very high mineral grades associated with these type deposits.

The Cherry Creek Range shows a fairly complete sequence of deposition from the late Pre-Cambrian through the Devonian Joanna Limestone, all part of the Eastern Assemblage. There are some regional unconformities through the sequence, in the Mid Ordovician and in the Silurian. Deposition stopped in the Devonian. This is followed by the deposition of the Chainman Formation of the transitional assemblage. There is no evidence of over-thrusted western assemblage rocks in the range. This seems to indicate that the range was located substantially to the east and possibly south of the uplift formed by the Antler orogeny.

Geologic model

The conceptual geologic model used to guide the exploration at the Cherry Creek Prospect, is a modification of the shear hosted mesothermal vein model. The geologic evidence clearly indicates that the Exchequer and New Century deposits were emplaced along the hanging wall and footwall of a porphyry dike intruded along the Exchequer Fault. The Star vein and the Gray Eagle vein, the two major deposits at the Star Property, were both emplaced along shear zones associated with the Exchequer Fault. The Star vein is at an approximate right angle to the fault, while the Gray Eagle vein is sub parallel to the fault.

At all three locations, the faults intersect quartzites of the Prospect Mountain Quartzite. It is postulated that the quartzite wall rock may host disseminated mineralization, where the main mineralized shear intersects the more permeable zones. The wide (30m) high grade gold and silver geochemical anomaly discovered at the northwest end of the Star soils geochemical survey line provides strong evidence for disseminated mineralization in the quartzite host rock. The Mother Lode occurrence is hosted at a bedding plane fault that cuts the contact zone of the shales of the Dunderberg Formation and the underlying limestones of the Orr Formation. Snowden postulates that the Mother Lode is a typical epithermal breccia type deposit.

Basis for the exploration program (Excerpt from Technical Report dated May 20, 2013)

The reconnaissance exploration program carried out to acquire the baseline data is described in Section 9 of the Technical Report.

To effectively plan the program, a basic understanding of the economic geology of the project area was acquired by a literature review, followed by an initial site visit. Once a basic understanding of the prospect geology was acquired, the reconnaissance exploration program was designed. The program as executed included IP Geophysical surveying, orientation soils geochemical sampling and limited geologic mapping at the Star-Gray Eagle and Ticup-Mother Lode and Silver Canyon quartz diorite prospects. The use of these techniques to gain an initial geologic-mineralogical understanding of the project was successful in identifying several exploration targets.

Exploration

General (Excerpt from Technical Report dated May 20, 2013)

Snowden was contracted in May 2011 to design and carry out an exploration program for Viscount's Cherry Creek project. The primary objective of the initial exploration program was to determine whether the properties of interest host epithermal style mineralization. The focus of the program was to better define known and discover unknown silver and gold mineralization. An additional objective of the program was to determine the exploration techniques best able to support the exploration effort. The initial program was both qualitative and quantitative. Three different surveys have been conducted to date; a rock chip survey, a soil geochemical survey and a geophysical (Induced Polarization) survey.

Previous work (Excerpt from Technical Report dated May 20, 2013)

The report authored by Dr. W. D. Groves for Goldera Resources Inc., is the latest documented exploration work conducted in the Cherry Creek Project Area. A summary report of this work exists, however the detailed mine maps and sample location maps produced prior to the writing of the summary report have been lost. The information provided in the report may only be used as a general guide towards future exploration efforts in the area.

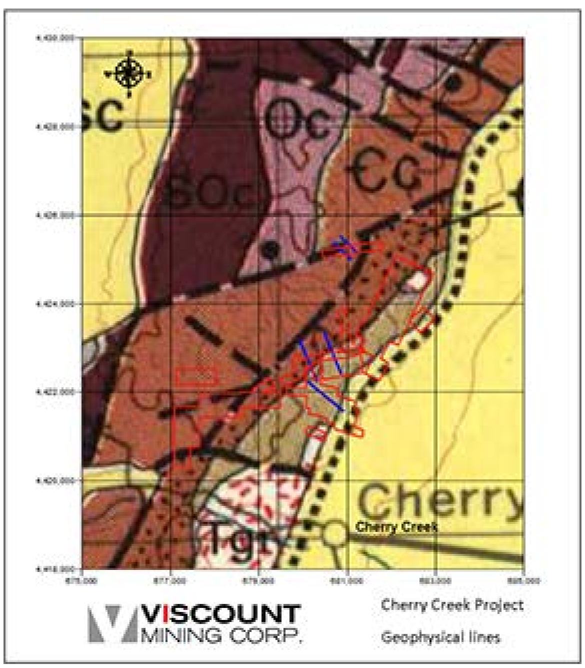
In addition to the investigative work carried out on behalf of Goldera Resources Inc, several property scale reports were produced by the USGS during the WWII-Korean War era. The only metal assayed as a focus for these reports was tungsten. Consequently, the USGS work has limited value.

Three different surveys have been conducted to date by Viscount: a targeted rock chip survey, a targeted soil geochemical survey and a targeted geophysical survey.

Geological 2014 Program

Assay results received from Summit's 2014 sampling also demonstrates the poly-metallic character of Cherry Creek's mineralization. Many of the highest assay values coincide with the known historic mining trends and the structural interpretations made by Summit geologists across the Cherry Creek property. The distribution of mineralized samples throughout the prospect, and accompanying alteration, suggests good potential for significant metal accumulations.

The 2014 rock chip sampling results Summit conducted indicate widespread occurrences of anomalous to high grade gold, silver, and base metal mineralization thereby confirming the information cited in historic reports. From the 302 samples collected, assays ranged from below detection to: 21 assayed greater than 1 g/t gold with 7 assaying greater than 10 g/t gold and a high value of 76.9 g/t or nearly 2.6 ounces per ton gold. Ninety nine samples assayed higher than 1 ounce per ton silver, with 31 having values greater than 10 ounces per ton and a high value of more than 8,700 g/t or 280 ounces per ton silver. Surface base metal values were also very anomalous: with 3 containing greater than 1% copper and one with 3.4%; 14 lead assays were greater than 1% with a maximum value of more than 20%. Zinc showed 10 sample assays greater than 1% with a high of 14%.



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Au g/t – ppm	Cu %	Pb %	Zn %	Ag g/t – ppm	Ag Total Oz/t
76.900	3.390	>20.0	13.950	8710	280.03
61.400	1.140	7.830	12.450	3620	116.39
39.600	1.125	2.780	7.980	3580	115.10
17.950	-	2.550	6.730	3340	107.38
16.950	-	2.520	5.380	2580	82.95
11.200	-	2.200	4.430	2360	75.88
10.050	-	2.160	1.495	2250	72.34
9.760	-	2.030	1.335	2060	66.23
8.750	-	1.775	1.170	1980	63.66
4.950	-	1.615	1.085	1925	61.89
4.610	-	1.580	-	1910	61.41
4.480	-	1.575	-	1605	51.60
3.970	-	1.205	-	1445	46.46
2.910	-	1.015	-	1200	38.58
2.680	-	-	-	1140	36.65
2.350	-	-	-	1100	35.37
2.170	-	-	-	1090	34.08

Table: Summit Geological 2014 Sampling Cherry Creek

Flint Canyon

The exploration program in 2016 started at Flint Canyon, a Carlin-type gold deposit, in Cherry Creek with a soil sampling combined with continued detailed geologic mapping and drilling.

The 2015 mapping at Flint Canyon found the area to be much more complexly faulted than previously indicated on the Adair 1961 geologic base map. Summit's mapping program found that east-west orientated faults and fractures, which are important ore controlling structures at the Ticup and Star Mines, also occur in the area. The Flint Canyon area contains highly dissected fault blocks of the Dunderberg Shale with the underlying Marjum Limestone and overlying Notch Peak Limestone. The Pogonip Formation overlies the Notch Peak and both units are important host rocks for Carlin-type gold mineralization in east-central Nevada.

Jasperoid occurrences in Nevada are extremely significant in context to Carlin-type gold deposits and mineralized jasperoid outcrops are common throughout the Flint Canyon area. They occur principally along the base of the Dunderberg Shale but other outcrops are found along Pogonip-Notch Peak contact. Many major gold discoveries have been made based on the presence of outcropping, weakly mineralized jasperoid hosted in and along bedding contacts of carbonate rocks. At Flint Canyon, jasperoid is found in the same carbonate rocks that are prolific host rocks at nearby large gold deposits (Newmont Mining-Long Canyon, and Barrick Gold Corp.-Bald Mountain deposits).

The jasperoid beds, interpreted as west dipping tabular features, occur along the base of the Dunderberg Shale and within the Pogonip group limestone. Summit's geological team indicated that the Dunderberg Shale is generally recessive and is exposed mainly along the outcropping contacts with more competent rocks. The Dunderberg appears to be moderately altered throughout its distribution, and at Flint Canyon it experienced widespread and significant alteration by hydrothermal fluids. The underlying Marjum Limestone is usually competent and unaltered, while the overlying Pogonip exhibits variable alteration.

The Flint Canyon jasperoid and carbonate rock chip samples are highly anomalous in gold mineralization. Of the 203 rock samples collected in the Flint Canyon domain (includes northern Lead Mine Canyon):

- Maximum gold grade of 3.83 g/t, which is 0.123 ounce per tonne Au
- 6 samples > 1.0 g/t Au
- 51 samples > 0.1 g/t Au
- 81 samples > 0.05 g/t Au (50 ppb Au), the lower threshold for significant gold value.

Phase 4 soil sampling program

The phase 4 soil geochemical survey was concluded, and results for gold are included in the May to June 2016 activity report issued by Summit for Flint Canyon on the Cherry Creek property. It states that "1,250 soil samples have been collected." Analysis has been by a 51-element-plus-gold-ICP (inductively coupled plasma) procedure (ME-MS41 and Au-TL43) at ALS Labs Ltd. of Elko, Nev. The sample grid spacing is 75 metres by 75 metres and tight GPS control.

The Pogonip limestone anomaly area includes two anomalies located in close proximity to each other. The anomalies measure 500 metres northwest by 300 metres northeast and 250 metres northwest by 125 metres northeast, respectively. The highest gold-in-soil value for these combined anomalies is 0.345 gram per tonne gold (0.012 ounce per ton).

The Dunderberg shale anomaly measures approximately 1,200 metres by 300 metres. The highest gold value in this anomaly is 0.106 gram per tonne Au (0.003 ounce per ton). The anomaly widens or bends to the east on its northern end, and it appears to be controlled by the west-southwest-trending Black Metal fault in this area.

The highest gold value on the soil grid was 0.534 gram per tonne Au (0.018 ounce per ton). It is located on the east side of the survey area. The two northerly trending anomalous areas located in the centre and west side of the grid contain most of the anomalous gold and pathfinder element values in the Flint Canyon area. The anomalous values are open to the south and west of the westernmost area where soils samples were collected.

The soil gold assay map with ranges of gold values in soil shows a strong relationship between the areas with jasperoid outcrops and a surprisingly broad and strong gold anomaly on the extreme west side of the Flint Canyon area in the Pogonip limestone. The soil gold anomaly occurs to the west of some jasperoid outcrops that are found at the contact between the Pogonip and Notch Peak formations, a common relationship found at major gold deposits in Nevada. From the distribution of anomalous gold results, there are at least two major target areas that need to be tested by several drill holes.

Rock chip sampling program

The following points concerning geology and geochemistry in the mapped area are excerpts from the Summit activity report for May to June, 2016.

The Flint Canyon Pogonip limestone and Dunderberg shale samples are highly anomalous in gold mineralization. Of the 1,250 rock samples collected in the Flint Canyon domain (includes west-southwest-trending Black Metal fault):

- Pogonip limestone -- maximum gold grade of 0.345 gram per tonne Au;
- Pogonip limestone -- 22 samples greater than 0.02 gram per tonne Au;
- Dunderberg shale -- maximum gold grade of 0.106 gram per tonne Au;
- Dunderberg shale -- 46 samples greater than 0.02 gram per tonne Au.

COLORADO PROPERTY

Silver Cliff Property

In June 2017, Viscount increased its long term land holdings in Silver Cliff by another 46.43 acres for a total of 2,029 acres and entered into a long term extension on the previous access and mineral rights agreements for the area at Silver Cliff including the Kate Deposit located adjacent to the Town of Silver Cliff in the State of Colorado. The final lease/option agreements entered into with the underlying holders of the mineral rights are consistent with the previously announced terms and conditions and now provide for greater security and certainty of Viscount's rights and interests. In addition, the Company has acquired partial interest in an aggregate pit lease known as the Silver Cliff Pit area.

In August 2014 the Company acquired a 100% interest in certain mining claims located in the State of Colorado 50 miles west of Pueblo, known as the Silver Cliff Property.

To exercise the Option, the Company must make cash payments in the aggregate amount of US$3,000,000 over a period of up to 13 years and issue a total of 200,000 of each of its common shares and common share purchase warrants to the Property vendors (the "Vendors"), which securities will be released in equal stages over a four year period following receipt of Exchange approval. The warrants will be exercisable at the greater of CDN$0.20 or the market price at the time of issuance for a period of three years.

The Agreement does not contain provisions for mandated exploration expenditures but requires Viscount to make certain claim rental fees on behalf of the Vendors. In addition, as operator during the option period, Viscount will be required to file all regulatory exploration reports and keep the Property in good standing. In July 2015 in accordance with the Agreement the Company paid the Claim maintenance fees for the 2015-2016 year.

At the time of commencement of commercial production on the Property, the Vendors will be granted an additional 550,000 shares and 550,000 warrants of Viscount and will retain a 2% net smelter returns royalty (the "NSR Royalty"). The NSR Royalty is subject to a buy-back right in favour of Viscount at any time prior to commencement of commercial production on any particular deposit, to repurchase 1% of the NSR Royalty from the Vendors. The purchase price for such buy-back will be an amount equal to the value of 0.5% of all commercially mineable and proven and probable reserves on the subject deposit determined pursuant to a National Instrument 43-101 compliant Feasibility Study, with the mineral price to be based on the 30 day average price prior to Viscount giving notice of the intended NSR Royalty repurchase.

Viscount paid a finder's fee in the amount of 500,000 common shares in connection with the closing of the Option Agreement which shall vest and be released as follows:

i. 10,000 shares on the effective date September 15, 2014 (issued);
ii. 15,000 shares on the first anniversary, September 15, 2015 (issued);
iii. 20,000 shares on the second anniversary, September 15, 2016 (issued)
iv. 25,000 shares on the third anniversary, September 15, 2017; (issued)
v. 35,000 shares on the fourth anniversary, September 15, 2018;
vi. 45,000 shares on the fifth anniversary, September 15, 2019;
vii. 50,000 shares on the sixth anniversary, September 15, 2020;
viii. 50,000 shares on the seventh anniversary, September 15, 2021;
ix. 75,000 shares on the eighth anniversary, September 15, 2022;
x. 75,000 shares on the ninth anniversary, September 15, 2023;
xi. 100,000 shares on the tenth anniversary, September 15, 2024;

The property lies within an historic silver district, where high-grade silver production came from numerous mines during the period 1878 to 1894. Silver production was derived from both shear-vein zones in tertiary volcanic units as well as breccia pipes hosted in Precambrian rocks located within and adjacent to a tertiary caldera or volcanic centre.

In summary, Hecla Mining bought out the rights to the lands in 1993 from the previous owner, CoCa Mines. Low silver prices in the 1990s led to reduced activity and ultimately to the release of many strategic claims by 1996.

The Company has access to historical data and other information on the property, including extensive maps of the district showing claims, old mines, exploration targets and prospects, locations of historic resource estimates drill holes, township and infrastructure data.

Viscount geologists will be visiting the property to determine next steps to verify the historical estimates as necessary to reclassify them as a current resource under National Instrument 43-101, as well as test for additional mineralization along known zones and explore for hitherto undetected zones.

In Summer 2016, preliminary results of representative, continuous rock chip sampling and geological mapping at a scale of 1:240 around the perimeter of the 7960 bench in the existing aggregate pit show that silver, manganese, lead, zinc, gallium and indium are present. Only recently have indium and gallium become of great importance, with indium used in LCD (liquid crystal display) televisions and computer monitors, and gallium in medical devices, microwave circuits, high-speed switching circuits and infrared circuits. Semi-conductive gallium nitride and indium gallium nitride produce blue and violet light-emitting diodes, and diode lasers.

Detailed geologic mapping at a scale of 1:1,000 by Viscount geologists done in the vicinity of the Kate deposit suggests that the polymetallic resource may be a combination of epithermal vein and a carbonate replacement deposit. Previous work considered the Kate deposit to be of supergene origin. Supergene processes of enrichment produce ore deposits that occur relatively near the surface as opposed to hypogene processes which occur deeper below the Earth's surface and result in deposits that are much later discovered after being exposed by erosion and by drilling.

The detailed mapping completed in October, 2016, revealed a previously undocumented, silicified carbonate reef complex. The silicification indicates replacement by hydrothermal fluids. Further, both the Kate deposit and the silicified carbonate reef occupy the same stratigraphic position, directly above an obsidian bed. If the carbonate reef was completely replaced by silica, it would be a very brittle rock, easily shattered by minor tectonic adjustments, creating a breccia whose matrix could become mineralized by hydrothermal fluids from an epi- or hypothermal feeder vein. The discovery of the carbonate reef complex has yielded a completely different genetic model for the Kate deposit than that proposed by previous geologists.

On January 19, 2017, the Company released further drill results from the Silver Cliff property in the Hardscrabble district of Custer county, Colorado. Nine holes with a total of 1,502 feet (457.8 meters) were completed in the recent program . A summary of drill intersections for which assays can be found below and on the Company website.

The table below displays summary data for Viscount's 2016 "K" series of 2.5-inch diameter holes (HQ core) along with available data for the historic holes which were twinned.

2016 DDH Results Compared With Holes Twinned								
Hole #	**From (ft.)**	**To (ft.)**	**Dip (°)**	**Length (ft.)**	**oz/t**	**g/t**	**Easting (m)**	**Northing (m)**
73-2-CC	54	98	-60	44	67.70	2105.7	460455	4221740
88-1	65	95	-60	30	16.30	507.0		
K16-01	55	105	-60	50	26.92	837.4	460455	4221739
including	60	92		32	40.87	1271.1		
including	60	80		20	57.18	1778.5		
89-27	80	140	-90	60	7.00	217.7	460605	4221831
K16-03	57	112	-90	55	4.55	141.5	460604	4221829
including	82	112		30	7.49	233.0		
89-26	50	120	-90	70	5.90	183.5	460575	4221830
K16-04	51	121	-90	70	5.74	178.5	460578	4221827
including	61	121		60	6.54	203.4		
including	76	121		45	8.06	250.7		
89-53	70	115	-60	45	8.30	258.2	460420	4221650
K16-05	65	110	-60	45	12.57	390.9	460420	4221654
88-2	90	120	-60	30	7.90	245.7	460483	4221830
K16-06	65	130	-60	65	1.05	32.8	460484	4221744
including	100	120		20	1.72	53.6		
88-59	75	115	-60	40	4.20	130.6	460451	4221650
K16-07	47	152	-60	105	2.56	79.7	460452	4221650
including	72	137		65	3.94	122.6		

including	77	137		60	4.21	131.1		
including	92	117		25	8.13	252.8		
88-36	115	170	-60	55	4.32	134.4	460513	4221711
K16-08	105	173	-60	68	7.35	228.6	460512	4221710
including	115	173		58	8.55	265.9		
88-40	110	135	-60	25	2.99	93.0	460543	4221801
K16-09	85	135	-60	50	4.39	136.5	460542	4221799
including	110	135		25	7.11	221.0		

Viscount geologists will be visiting the property to determine next steps to verify the historical estimates as necessary to reclassify them as a current resource under National Instrument 43-101, as well as test for additional mineralization along known zones and explore for hitherto undetected zones.

Financial Data

The Company was incorporated under the British Columbia Business Corporations Act on October 26, 2011 and was classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange ("TSXV"). On July 23, 2013, the Company completed a share exchange with Viscount Mining Resources Ltd. (formerly Viscount Mining Ltd.) ("Viscount Resources") and all of the shareholders of Viscount Resources, whereby the Company acquired all of the issued and outstanding common shares of Viscount Resources and former Viscount Resource's shareholders received equal number of common shares of the Company.

The following selected financial information is derived from the Financial Statements of the Company prepared in accordance with International Financial Reporting Standards ("IFRS").

Overall Performance

During year ended August 31, 2017, the Company incurred a net loss of $1,653,018 (2016 - $1,448,803). At August 31, 2017, the Company had cash and cash equivalents of $940,379 (2016 - $1,805,552) and working capital of $1,055,179 (2016 - $1,768,322). Management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive, or raise additional debt and/or equity capital. For the year ended August 31, 2017, the Company had no source of operating revenues and, as at that date, had an accumulated deficit of $7,309,598 (2016 - $5,656,580).

Results for the last three years are set out in the table below:

All amounts in Cdn$'s except per share data	Year ended August 31, 2017 $	Year ended August 31, 2016 $	Year ended August 31, 2015 $
Operations:			
Revenues	Nil	Nil	Nil
Net Loss	(1,653,018)	(1,448,803)	(1,503,092)
Comprehensive Loss	(1,653,018)	(1,448,803)	(1,504,307)
Net Loss per share-basic	(0.04)	(0.04)	(0.05)
Dividends per share	Nil	Nil	Nil
Balance Sheet:			
Working capital	1,055,179	1,768,322	615,622
Total assets	3,056,924	2,935,750	1,477,214
Shareholder Equity	2,946,605	2,794,387	1,406,705

For the year ended August 31, 2017, the Company incurred a net loss and comprehensive loss of $1,653,018 (2016 - $1,448,803) an increased loss of $204,215. Explanations of the increased loss are:

- Consulting of $611,398 (2016 - $509,035), an unfavourable variance of $102,363 primarily due to increased activity on the Colorado property and the addition of one consultant for the current year.
- Promotion of $544,663 (2016 – $469,563), an unfavourable variance of $75,100 primarily due to increased number and the areas of distribution of news releases.
- Foreign exchange loss of $22,205 (2016 – gain of $39,818), an unfavourable variance of $62,023. The Company exploration properties are recorded in US dollars and the Company maintains funds in a US$ account which is impacted by the fluctuation in the U.S Dollar.
- Travel, office, miscellaneous and other operating costs of $272,071 (2016 - $232,527), an unfavourable variance of $39,544 primarily due to increased insurance and office costs during the current year.

Partially offset by:

- Share-based payments of $180,878 (2016 - $234,414), a favourable variance of $53,536 primarily due to favourable variances in the assumptions used in the Black-Scholes Option Pricing Model calculations used to determine the fair values of the 550,000 options (2016 – 520,000) granted during the year.
- Transfer agent and filing fees of 27,088 (2016 - $43,348), a favourable variance of $16,260 primarily due to reduced TSX fees.

Results for each of the last eight quarters are set out in the table below:

All amounts in Cdn$'s except per share data	Three month period ending August 31, 2017	Three month period ending May 31, 2017	Three month period ending February 28, 2017	Three month period ending November 30, 2016
	$	$	$	$
Operations:				
Revenues	Nil	Nil	Nil	Nil
Net loss and comprehensive loss	(376,059)	(336,584)	(407,234)	(533,141)
Loss per share	(0.01)	(0.01)	(0.02)	0.00
Balance Sheet:				
Total assets	3,056,924	2,120,066	2,317,974	2,600,536
Working capital	1,055,179	332,593	578,466	1,217,209
Shareholders' equity	2,946,605	2,079,215	2,222,823	2,559,582

	Three month period ending August 31, 2016	Three month period ending May 31, 2016	Three month period ending February 29, 2016	Three month period ending November 30, 2015
	$	$	$	$
Operations:				
Revenues	Nil	Nil	Nil	Nil
Net loss and comprehensive loss	(524,382)	(351,557)	(329,772)	(243,092)
Loss per share	(0.04)	(0.01)	(0.01)	(0.01)
Balance Sheet:				
Total assets	2,935,750	1,196,649	1,396,860	1,595,600
Working capital	1,768,322	240,432	508,609	692,525
Shareholders' equity	2,794,387	1,126,905	1,365,109	1,534,025

Net loss and comprehensive loss for the three months were $376,059 (2016 - $524,382) a decrease of $148,323 which consisted of increases in:

- Promotion of $103,451 (2016 - $346,232), a favourable variance of $242,781 primarily due to timing differences between Q3-2017 and Q3-2016. Annual costs were $75,100 higher in 2017 over 2016 due to increased number and the areas of distribution of news releases.

- Transfer agent and filing fees $4,076 (2016 - $20,717), favourable variance of $16,641 is due to private placement cost in 2016 not incurred in 2017.

- Travel, office, miscellaneous and other operating costs $75,995 (2016 - $81,584), a favourable variance of $5,589 primarily due to timing differences between Q3-2017 and Q3-2016 travel costs.

Partially offset by:

- Foreign exchange loss of $25,263 (2016 – gain of $59,529), an unfavourable variance of $84,792. The Company's exploration properties are in the US and the Company maintains funds in a US$ account which is impacted by the fluctuation in the U.S Dollar.
- Consulting $167,274 (2016 - $135,378), an unfavourable variance of $31,896 primarily due to timing differences between Q3-2017 and Q3-2016. Annual costs were $102,363 higher in 2017 over 2016 due to increased activity and the addition of one consultant for the current year.

Share Capital

Authorized

At August 31, 2017 the authorized share capital consists of an unlimited number of common shares without par value and without special rights or restrictions attached and an unlimited number of preferred shares without par value and with special rights or restrictions.

Issued and Outstanding

As at August 31, 2017, the total issued and outstanding share capital was 46,748,128, common shares with no par value (2016 – 40,264,094).

Share capital transactions of the Company during the years ended August 31, 2017 and 2016 are summarized as follows:

a) On August 29, 2017 the Company issued a total of 5,000,000 units for gross proceeds of $1,250,000. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant will entitle the holder to purchase one additional common share of the Company for a period of 1 year from the date of closing at an exercise price of $0.35 per common share. In relation to this offering the Company paid finders fees of $39,885 in cash and issued 84,500 finder's warrants. Each finders warrant will entitle the holder to purchase one additional common share of the Company for a period of 1 year from the date of closing at an exercise price of $0.35 per common share. The warrants had an estimated value of $6,860 using the Black Scholes valuation methodology with the Warrants having the terms described above and assuming a risk free interest rate of 0.79% per annum, an expected life of 1 year, an expected volatility of 89.65%, and no expected dividend. The securities issued are subject to a four month hold period from the date of closing. The Company has the right to accelerate the expiry date of the warrants in the event that the Company's Shares trade on a recognized exchange at more than $0.50 for a 15 day period. These common shares and warrants issued under the private placement will be subject to a four-month-and-one-day resale restriction expiring December 30, 2017.

b) From November 3, 2016 through to August 17, 2017 the Company issued 1,414,034 shares for warrants exercised at $0.25 for total proceeds of $353,509.

c) On September 15, 2016, the Company issued 70,000 shares at a fair value of $0.59 per share for a total value of $41,300 and 50,000 warrants exercisable into one common share of the Company for a period of 3 years from the date of closing at an exercise price of $0.59 in accordance with the terms of the Silver Cliff Agreement. The warrants had an estimated value of $19,434 using the Black Scholes valuation methodology with the Warrants having the terms described above and assuming a risk free interest rate of 1.35% per annum, an expected life of 3 years, an expected volatility of 133.69%, and no expected dividend. The securities issued are subject to a four-month hold period from the date of closing.

d) On August 22, 2016, the Company issued 130,000 shares for warrants exercised at $0.25 for total proceeds of $32,500.

e) On July 25, 2016, the Company issued 152,168 shares for warrants exercised at $0.25 for total proceeds of $38,042. On exercise the Company transferred the fair value of $135,168 of the warrants exercised, $24,800, from warrant reserve to share capital.

f) Between May 31, 2016 and June 23, 2016 the Company issued 4,600,000 units for gross proceeds of $2,300,000 as part of a brokered private placement. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant will entitle the holder to acquire one common share at an exercise price of $0.70 for a period of 24 months from the closing date of the private placement. In the event that the Company's common shares trade at a closing price on the exchange at greater than $0.85 per share for a period of 20 consecutive trading days at any time after the closing date, the Company may accelerate the expiry date of the warrants by giving notice to the holders thereof, and in such case, the warrants will expire on the 30th day after the date hereafter, referred to as the eligible acceleration date, on which such notice is given by the Company. These common shares and warrants issued under the private placement will be subject to a four-month-and-one-day resale restriction expiring October 1, 2016, for the first tranche. Gravitas Securities Inc. acted as agent for and on behalf of the Company and is entitled to an agency fee of 7% of the cash received from the sale of the units to certain subscribers, and compensation warrants equal to 7% of the aggregate number of units issued to certain subscribers, exercisable into common shares at an exercise price of $0.70 for 24 months. The Company paid share issue costs of $377,199 in Agent commissions, Finders fees and legal fees. Included in the $377,199 were the issuance of two sets of warrants 1) 150,000 warrants exercisable into common shares at an exercise price of $0.70 for 24 months and with an estimated value of $66,569 using the Black Scholes valuation methodology with the Warrants having the terms described above and assuming a risk free interest rate of 1.15% per annum, an expected life of 24 months, an expected volatility of 106.18%, and no expected dividend. and 2) 158,900 warrants exercisable into common shares at an exercise price of $0.70 for 24 months and with an estimated value of $55,078 using the Black Scholes valuation methodology with the Warrants having the terms described above and assuming a risk free interest rate of 1.15% per annum, an expected life of 24 months, an expected volatility of 114.02%, and no expected dividend. The securities issued are subject to a four month hold period from the date of closing.

g) On June 9, 2016, the Company issued 36,000 shares for warrants exercised at $0.25 for total proceeds of $9,000.

h) On May 25, 2016, the Company issued 62,360 shares for warrants exercised at $0.25 for total proceeds of $15,590. On exercise the Company transferred the fair value of the warrants exercised, $11,441, from warrant reserve to share capital.

i) On April 11, 2016, the Company issued 50,000 shares for warrants exercised at $0.25 for total proceeds of $12,500.

j) On February 11, 2016, the Company issued 22,893 shares for warrants exercised at $0.25 for total proceeds of $5,723. On exercise the Company transferred the fair value of 9,560 of the warrants exercised, $1,754, from warrant reserve to share capital.

k) On January 28, 2016, the Company issued 50,000 shares for warrants exercised at $0.25 for total proceeds of $12,500.

l) On January 14, 2016, the Company issued 50,000 shares for warrants exercised at $0.25 for total proceeds of $12,500.

m) On December 14, 2015, the Company issued 50,000 shares for warrants exercised at $0.25 for total proceeds of $12,500.

n) On December 8, 2015, the Company issued 125,000 shares for warrants exercised at $0.25 for total proceeds of $31,250.

o) On December 2, 2015, the Company issued 75,000 shares for warrants exercised at $0.25 for total proceeds of $18,750.

p) On November 30, 2015, the Company issued 347,000 shares for warrants exercised at $0.25 for total proceeds of $86,750. On exercise the Company transferred the fair value of 24,000 of the warrants exercised, $4,403, from warrant reserve to share capital.

q) On November 10, 2015, the Company issued 311,001 shares for warrants exercised at $0.25 for total proceeds of $77,750. On exercise the Company transferred the fair value of 13,334 of the warrants exercised, $2,446, from warrant reserve to share capital.

r) On November 6, 2015, the Company issued 50,000 shares for options exercised at $0.20 for total proceeds of $10,000 and 24,000 shares for warrants exercised at $0.25 for total proceeds of $6,000. On exercise the Company transferred the fair value of the warrants exercised, $1,957, from warrant reserve to share capital.

s) On October 19, 2015, the Company issued 167,000 shares for warrants exercised at $0.25 for total proceeds of $41,750.

t) On October 7, 2015, the Company issued 25,000 shares for options exercised at $0.20 for total proceeds of $5,000. On exercise the Company transferred the fair value of the options exercised, $4,392, from option reserve to share capital.

u) On September 28, 2015, the Company issued 70,000 shares for warrants exercised at $0.25 for total proceeds of $17,500.

v) On September 28, 2015, the Company issued 75,000 shares at a fair value of $0.37 per share for a total value of $27,750. The shares were issued in accordance with the terms of the agreements related to the Company's Colorado properties.

w) On September 15, 2015 the Company issued 50,000 warrants exercisable into one common share of the Company for a period of 3 years from closing at an exercise price of $0.40 in accordance with the Silver Cliff Agreement. The warrants are exercisable into common shares at an exercise price of $0.40 for 3 years and with an estimated value of $13,817 using the Black Scholes valuation methodology with the Warrants having the terms described above and assuming a risk free interest rate of 1.5% per annum, an expected life of 3 years, an expected volatility of 115.73%, and no expected dividend.

x) On September 14, 2015, the Company issued 325,000 shares for warrants exercised at $0.25 for total proceeds of $81,250.

Escrow Shares

As at August 31, 2017, no common shares of the Company are held in escrow (August 31, 2016 – nil).

Warrants

The following is a summary of outstanding warrants at August 31, 2017 and 2016:

Expiry Date	Exercise Price	August 31, 2017 Number of Warrants Outstanding and Exercisable	Exercise Price	August 31, 2016 Number of Warrants Outstanding and Exercisable
	$		$	
November 25, 2017	0.25	4,597,756	0.25	5,706,090
December 2, 2017	0.25	1,398,000	0.25	1,398,000
January 6, 2018	0.25	2,739,836	0.25	3,045,536
September 15, 2018	0.40	50,000	0.40	50,000
May 31, 2018	0.70	2,608,900	0.70	2,608,900
June 23, 2018	0.70	2,300,000	0.70	2,300,000
August 29, 2018	0.35	5,084,500	-	-
September 15, 2019	0.59	50,000	-	-
	0.40	**18,828,992**	**0.40**	**15,108,526**

Stock Option Plan

On April 4, 2012, the Company adopted a stock option plan (the "Plan") that allows the Company to issue options to certain directors, officers, employees and consultants of the Company. Options issued under the Plan shall not exceed 10% of shares issued and outstanding at the time of granting of the options. Options granted under the Plan may have a maximum term of ten years. The exercise price of options granted under the Plan will not be less than the market price of the shares (defined as the last closing market price of the Company's shares on the last day shares are traded prior to the grant date), less the applicable discount permitted by the TSXV rules. Stock options granted under the Plan vest immediately subject to vesting terms, which may be imposed at the discretion of the directors.

As at August 31, 2017, there were 4,071,000 options with exercise prices between $0.20 and $0.62 outstanding with expiry dates between August 2018 and October 2022. As noted above during the six month period ending May 31, 2017, option holders exercised no options (August 31, 2016 – 75,000 options at $0.20 per share for total proceeds of $15,000).

The following is a summary of outstanding options at August 31, 2017 and 2016:

	August 31, 2017		August 31, 2016	
Expiry Date	**Exercise Price**	**Number of Options Outstanding**	**Exercise Price**	**Number of Options Outstanding**
October 26, 2022	$ 0.20	19,800	$ 0.20	19,800
August 21, 2018	$ 0.20	1,076,000	$ 0.20	1,076,000
July 11, 2019	$ 0.20	255,200	$ 0.20	255,200
December 1, 2019	$ 0.20	300,000	$ 0.20	300,000
January 5, 2020	$ 0.20	1,125,000	$ 0.20	1,125,000
April 1, 2018	$ 0.22	200,000	$ 0.22	200,000
July 7, 2020	$ 0.20	100,000	$ 0.20	100,000
July 21, 2020	$ 0.20	45,000	$ 0.20	45,000
November 12, 2020	$ 0.50	40,000	$ 0.50	40,000
December 15, 2020	$ 0.50	75,000	$ 0.50	75,000
February 9, 2021	$ 0.53	100,000	$ 0.53	100,000
April 27, 2021	$ 0.51	50,000	$ 0.51	50,000
August 8, 2021	$ 0.62	255,000	$ 0.62	255,000
September 8, 2021	$ 0.57	180,000	-	-
October 28, 2019	$ 0.57	200,000	-	-
April 17, 2022	$ 0.36	50,000	-	-
Outstanding and exercisable options	$ 0.28	4,071,000	$ 0.25	3,641,000
Number of options exercisable		4,071,000		3,641,000

Liquidity and Capital Resources

At August 31, 2017 the Company had cash and cash equivalents of $940,379 (2016 - $1,805,552), amounts receivable and prepaid expenses of $225,119 (2016 - $104,133), trade payables and accrued liabilities of $94,261 (2016 - $90,357) and due to related parties of $16,058 (2016 - $51,006). The trade payables are due within three months.

The Company will require significant cash funding to conduct its exploration programs, meet its administrative overhead costs, and maintain its resource interests. This will require the Company to obtain additional financing. The Company invests surplus cash in guaranteed investment certificates with the Bank of Montreal and faces no known liquidity issues.

The Company will continue to consider all sources of financing reasonably available to it, including, equity, debt, and the sale of assets or parts of assets, including mineral properties. There can be no assurance of continued access to finance in the future and an inability to secure financing may require the Company to reduce or defer exploration and development activities.

Exploration and Evaluation Properties

During the year ended August 31, 2017 the Company expended $865,361 (2016 - $234,982) on its mineral properties. A summary of the changes in the Company's exploration and evaluation properties for the year ended August 31, 2017 and 2016 are as follows:

	Year Ended August 31, 2017	Year ended August 31, 2016
	$	$
Balance beginning of year	1,026,065	791,083
Property acquisitions	196,394	41,567
Staking new claims and claim maintenance	200,692	36,622
Consulting	310,080	156,793
Drilling	158,195	-
Total	1,891,426	1,026,065

Commitments and Contingency

The Company is committed to making cash payments, incurring exploration expenditures and/or issuing common shares pursuant to its exploration and evaluation property agreements.

Off-Balance Sheet Arrangements

There were no off-balance sheet arrangements as at August 31, 2017.

Transactions with Related Parties

As at August 31, 2017, the total balance due to related parties, who are officers, directors and/or shareholders, consists of $16,058 (August 31, 2016 - $51,006). Amounts owing relate to consulting services provided by the related parties or by companies controlled by the related parties and for expense reimbursements.

	As at August 31, 2017	As at August 31, 2016
	$	$
Chairman	5,250	5,250
Chief Geologist	5,750	5,750
Officers and Directors for expenses	5,058	22,924
	16,058	51,006

The key management personnel compensation is summarized as follows:

		Year Ended August 31, 2017		Year Ended August 31, 2016
		$		$
Derick Sinclair	CFO/Accounting services	77,000		70,000
Jim MacKenzie	CEO/Director	216,272	(1)	200,000
Kaare Foy	Chairman/Director	105,680	(2)	60,000
Andrew Gertler	Director/Consulting	102,272	(1)	90,000
Mathew Hughes	Director/Consulting	61,252		23,129
Mark Abrams	Director/Consulting	108,238		-
Bill Macdonald	Director/Legal fees	17,133		41,113
Howard Lahti	Chief Geologist	60,000		60,000
		747,847		544,242

(1) includes $18,272 being the Black-Scholes value of 40,000 options issued during the year to replace options cancelled in 2013.

(2) includes $45,680 being the Black-Scholes value of 100,000 options issued during the year to replace options cancelled in 2013.

Critical Accounting Policies

The Company's significant accounting policies are disclosed in Note 2 to the Company's Financial Statements as at August 31, 2017, and for the year then ended. The Financial Statements of the Company, including comparatives, have been prepared in accordance with and using accounting policies in full compliance with International Financial Reporting Standards ("IFRS") and International Accounting Standards ("IAS") issued by the and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), effective for the Company's reporting for the year ended August 31, 2017.

Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments and share-based payments, and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the stock options reserve. The fair value of options is determined using the Black-Scholes Option Pricing Model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that will eventually vest.

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects. Common shares issued for consideration other than cash, are valued based on their market value at the date the shares are issued.

Related Parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Foreign Currencies

The Company's reporting currency and the functional currency of all of its operations is the Canadian dollar as this is the principal currency of the economic environment in which they operate.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

Financial Instruments

The Company's financial instruments consist of cash and cash equivalents and accounts payable and accrued liabilities. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values.

Exploration and Evaluation Expenditures

The Company records deferred exploration costs, which consist of costs attributable to the investment in and exploration of resource property interests, at cost. All direct and indirect costs relating to the acquisition and exploration of the resource interests, net of recoveries, are capitalized on the basis of specific claim blocks until the resource interests to which they relate are placed into production, the resource interests are disposed of through sale or where management has determined there to be an impairment.

On an ongoing basis, the capitalized costs are reviewed on a property-by-property basis to consider whether there are any conditions that indicate impairment on the subject property. When such conditions are identified, an impairment loss is recognized for the difference between the fair value and carrying value.

Impairment

The Company's tangible and intangible assets are reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the Company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Recoverable amount of an asset group is the higher of its fair value less costs to sell and its value in use. Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in net income (loss). In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

Restoration and Environmental Obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other mining assets.

The Company's estimates of restoration costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the restoration provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to net income (loss) for the period. The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to net income (loss) in the period incurred. The costs of restoration projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation assets.

Financial risk management

Overview

The Company has exposure to credit risk, liquidity risk, foreign currency risk, and market risk from its use of financial instruments. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The following presents information about the Company's exposure to each of these risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

(a) Credit Risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and cash equivalents. The Company limits its exposure to credit risk on liquid financial assets through investing its cash and cash equivalents with high-credit quality financial institutions.

The carrying value of the Company's cash and cash equivalents and amounts receivable represent the maximum exposure to credit risk.

(b) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company ensures that there is sufficient capital in order to meet short term business requirements, after taking into account cash flows from operations and the Company's holdings of cash. The Company's cash and cash equivalents are currently invested in business and savings accounts with high-credit quality financial institutions which are available on demand by the Company for its programs. As at August 31, 2017, the Company had cash and cash equivalents balance of $940,379 to settle current liabilities of $110,319. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

(c) Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(d) Interest Rate Risk

The Company is subject to interest rate risk with respect to its investments in cash. However, the Company does not hold any interest-bearing debt. The Company's current policy is to invest cash at floating rates of interest and cash reserves are to be maintained in cash in order to maintain liquidity, while achieving a satisfactory return for shareholders. Fluctuations in interest rates when cash balances mature impact interest income earned.

(e) Foreign Currency Risk

As at August 31, 2017, the Company's expenditures are in Canadian dollars, any future equity raised is expected to be predominantly in Canadian dollars. The Company foreign currency risk relates to accounts payable in US dollars on and US$ bank accounts maintained by the Company.

(f) Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, comprising share capital, net of accumulated deficit. The Company manages the capital structure and makes adjustments to it in light of changes in the economic conditions and the risk characteristics of the underlying assets. The Company manages its capital structure through the issuance of new shares, acquisition or disposition of assets or adjustment of cash. The Company does not have any major capital expenditures committed for the coming year. Management reviews the capital structure on a regular basis to ensure that the above-noted objectives are met. There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements other than disclosed in the Financial Statement notes.

(g) Fair Value

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the Financial Statements approximates their fair value due to the demand nature or short term maturity of these instruments.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

August 31, 2017	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial assets at fair value				
Cash and cash equivalents	940,379	-	-	940,379
Total	940,379	-	-	940,379

August 31, 2016	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial assets at fair value				
Cash and cash equivalents	1,805,552	-	-	1,805,552
Total	1,805,552	-	-	1,805,552

Disclosure Controls and Procedures

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's Financial Statements for external purposes in accordance with IFRS. The design of the Company's internal control over financial reporting was assessed as of the date of this MD&A. Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could threaten the Company's financial viability, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and work load will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial reports, the integrity and reputation of senior accounting personnel, and candid discussion of those risks with the audit committee.

Risk Factors

No History of Earnings

The Company has no history of earnings. The Company's properties are in the exploration stage of development. Additional external financing will be required to develop these properties further. There can be no assurances that any of the Company's properties will ever contain an economic ore body.

None of the Company's properties are currently in production, and although the Technical Report indicates mineral resources, there can be no assurance that any proven or probable mineral reserves will be discovered or that any particular level of recovery of minerals will in fact be realized or that an identified mineral reserve or mineral resource will ever qualify as a commercially mineable (or viable) deposit which can be legally and economically exploited. The Company's ability to continue operations and fund its liabilities is dependent on management's ability to secure additional financing. Although the Company has been successful in pursuing additional sources of financing in the past, there can be no assurance it will be able to do so in the future. There can be no assurances that additional funding will be available, or available under terms favorable to the Company, or at all.

Title Risks

Although the Company has exercised due diligence with respect to determining title to the properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral property interest may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects. Until competing interests, if any, in the mineral lands have been determined, the Company can give no assurance as to the validity of title to those lands or the size of such mineral lands.

Exploration and Development

Resource exploration and development is a highly speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals the Company may acquire or discover may be affected by numerous factors that are beyond its control and that cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, the import and export of minerals and environmental protection, the combination of which factor may result in the Company not receiving an adequate return of investment capital.

All of the claims in which the Company has acquired or has a right to acquire an interest are in the exploration /development stage only and are without a known commercially-mineable ore body. Development of the subject mineral properties would follow only if favorable exploration results are obtained.

There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of its operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors.

Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

The Company is required to obtain required permits from various government departments to carry out its work programs. There is no guarantee that all required permits will be granted on terms satisfactory to the Company, or at all. If such permits are not received, the Company may not be able to carry out or complete its business objectives.

Loss of Foreign Issuer Status

The Company may at some future date determine that it has ceased to qualify as a "foreign private issuer" for the purposes of United States federal securities laws. This determination is performed each year as of August 31, being the last business day of its fiscal year end. Should this occur, the Company would not be able to avail itself of the rules and forms designated for foreign private issuers until the Company is able to once again establish its qualification as a foreign private issuer. Absent registration under the U.S. Securities Act, under most circumstances, securities issued by the Company during such times as that the Company fails to qualify as a "foreign private issuer," would be "restricted securities" for the purposes of the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and would be issued with a U.S. restrictive legend, regardless of whether they are issued in an "offshore transaction" pursuant to Regulation S, or are issued in the United States pursuant to an exemption from the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Company's inability to issue securities outside the United States without resale restrictions imposed by the U.S. Securities Act and regulations thereunder may make it difficult or impossible to complete securities offerings on favorable terms, or at all.

Uninsured or Uninsurable Risks

Exploration, development and production of mineral properties is subject to certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes. It is not always possible to insure fully against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or for other reasons. Should such liabilities arise, they could have a material adverse impact on the Company's operations and could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

Operating Hazards and Risks

Mineral exploration and development involves risks which even a combination of experience, knowledge and careful examination may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to hazards and risks normally incidental to exploration, developments and production of minerals, any of which could result in work stoppages, damage to or destruction of property, loss of life and environmental damage. The nature of these risks is such that liabilities might exceed insurance policy limits, the liabilities and hazards might not be insurable or the Company may elect not to insure itself against such liabilities due to high premium costs or other factors. Such liabilities may have a materially adverse effect upon the Company's financial condition.

Environmental Risks, Regulations, Permits and Licenses and Other Regulatory Requirements

The Company's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas that would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations.

The Company's operations, including development activities and commencement of production on its properties, require permits from various federal, provincial or territorial and local governmental authorities, and such operations are and will be governed by laws, and regulations governing prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Such operations and exploration activities are also subject to substantial regulation under applicable laws by governmental agencies that may require that the Company obtains permits from various governmental agencies. There can be no assurance, however, that all permits that the Company may require for its operations and exploration activities will be obtainable on reasonable terms or on a timely basis or at all or that such laws and regulations will not have an adverse effect on any mining project which it might undertake.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fine or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Competition

The mining industry is intensely and increasingly competitive in all its phases, and the Company will compete with other companies that have greater financial and technical resources. Competition in the precious metals mining industry is primarily for mineral rich properties which can be developed and operated economically and businesses compete for the technical expertise to find, develop, and operate such properties, the skilled labor to operate the properties and the capital for the purpose of financing development of such properties. Such competition could adversely affect the Company's ability to acquire suitable producing properties or prospects for mineral exploration, recruit or retain qualified employees or acquire the capital necessary to fund its operations and develop its properties.

Dependence on Management

The Company is largely dependent on the performance of its directors and officers. There is no assurance the Company will be able to maintain the services of its directors and officers or other qualified personnel required to operate its business. The loss of the services of any of these persons could have a material adverse effect on the Company and its prospects.

Fluctuating Mineral Prices

The mining industry is heavily dependent upon the market price of metals or minerals being mined. There is no assurance that, even if commercial quantities of mineral resources are discovered, a profitable market will exist at the time of sale. Factors beyond the Company's control may affect the marketability of metals or minerals discovered, if any. Metal prices have fluctuated widely, particularly in recent years, and the Company will be affected by numerous factors beyond its control. The effect of these factors on the Company's operations cannot be predicted. If mineral prices decline significantly, it could affect the Company's decision to proceed with further exploration of its properties.

Future Financing

The Company's continued operation will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained on acceptable terms to the Company, if at all. Failure to obtain additional financing on a timely basis may result in delay or indefinite postponement of further exploration and development or forfeiture of some rights in some or all of the Company's properties. If additional financing is raised by the issuance of shares from treasury, control of the Company may change and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may not be able to further explore and develop its properties, take advantage of other opportunities, or otherwise remain in business. Events in the equity market may impact the Company's ability to raise additional capital in the future. The Company's loss of "foreign private issuer" status under US securities law may also adversely affect future financings.

Future Acquisitions

As part of the Company's business strategy, it may seek to grow by acquiring companies, assets or establishing joint ventures that it believes will complement its current or future business. The Company may not effectively select acquisition candidates or negotiate or finance acquisitions or integrate the acquired businesses and their personnel or acquire assets for its business. The Company cannot guarantee that it can complete any acquisition it pursues on favorable terms, or that any acquisitions competed will ultimately benefit its business.

Volatility of Share Price

In recent years, the securities markets in the United States and Canada, and the Exchange in particular, have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Company in generating revenues, cash flows or earnings.

Conflicts of Interest

Certain directors and officers of the Company will and may continue to be involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers may conflict with the interest of the Company. Directors and officers of the Company with conflicts of interest will be subject to and follow procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

Reliability of Historical Information

The Company has relied, and the Technical Report is based, in part, upon historical data compiled by previous parties involved with the La Josefina project. To the extent that any of such historical data is inaccurate or incomplete, the Company's exploration plans may be adversely affected.

Dividends

The Company has never paid a dividend on its common shares or preferred shares. It is not anticipated that the Company will pay any dividends on its common shares or preferred shares in the foreseeable future.

Adverse fluctuations in currency exchange rates

The Company will maintain most of its working capital in Canadian and United States dollars. However, a significant portion of the Company's operating costs are incurred in United States dollars. Accordingly, the Company will be subject to fluctuations and volatility in the rates of currency exchange between the Canadian dollar, and United States dollar and these fluctuations could materially affect the Company's financial position and results of operations as costs may be higher than anticipated. The costs of goods and services could increase due to changes in the value of the Canadian dollar, or the United States dollar. Consequently, operation and development of the Company's properties might be more costly than the Company anticipates.

Current Global Economic Conditions

Recent market events and conditions, including disruptions in the international credit markets and other financial systems and the deterioration of global economic conditions, could impede the Company's access to capital or increase its cost of capital. Failure to raise capital when needed or on reasonable terms may have a material adverse effect on the Company's business, financial condition and results of operations.

An investment in the Company will involve a number of risks. You should carefully consider the following risks and uncertainties in addition to other information in this MD&A in evaluating the Company and its business before making any investment decision in regards to the Company's Common Shares. The Company's business, operating and financial condition could be harmed due to any of the following risks. The risks described below are not the only ones facing the Company. Additional risks not presently known to the Company may also impair its business operations.

Mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company has no source of revenue, and has significant cash requirements to conduct its planned exploration, meet its administrative overhead and maintain its resource interests.

Going concern

The Company's ability to continue as a going concern is dependent on its ability to secure additional financing to fund planned exploration and its ongoing administrative expenditures, and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

Market for Common Shares

There can be no assurance that an active trading market in the Common Shares will be established and sustained. The market price for the Common Shares could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of its peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the Common Shares.

Additional Information

Reference is made in this MD&A to the Company's Financial Statements for the relevant periods as filed on the Company's profile on the SEDAR website at www.sedar.com and at the Company's web site at www.viscountmining.com where additional disclosure relating to the Company is located. Readers are strongly encouraged to review such additional disclosure.

Approval

The Board of Directors of the Company has approved the disclosure contained in this MD&A. For further information, please contact: Viscount Investor Relations Email: info@viscountmining.com Phone: 604-960-0535.