

GARIBALDI RESOURCES CORP.

MANAGEMENT DISCUSSION & ANALYSIS (“MD&A”)

For the nine months ended October 31, 2017

DATE AND INTRODUCTION

Garibaldi Resources Corp. is an exploration stage company whose shares are listed for trading on the TSX Venture Exchange (“TSX-V”) under the symbol GGI. The Company’s business is the acquisition, exploration and evaluation of mineral properties located in British Columbia, Canada and in Sonora, Sinaloa and Chihuahua States, Mexico.

This discussion and analysis of financial position, results of operations and cash flows of Garibaldi Resources Corp. (the “Company” or “Garibaldi”) for the nine months ended October 31, 2017 includes information up to and including December 29, 2017, and should be read in conjunction with the Company’s condensed consolidated interim financial statements for the nine months ended October 31, 2017 and the Company’s annual consolidated financial statements for the year ended January 31, 2017.

The reader is encouraged to review the Company’s statutory filings including our Annual Information Form on www.sedar.com and review other information about the Company on its web site at www.garibaldiresources.com

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

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

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

Important factors that could cause actual results to differ materially from the Company’s plans or expectations include risks relating to the actual results of exploration programs, fluctuating commodity

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

Although the Company has attempted to identify all of the factors that may affect our forward-looking statements or information, this list of the factors is not exhaustive. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks and uncertainties detailed throughout this MD&A. The Company disclaims any intention or obligation to update or revise forward-looking information, whether as a result of new information, future events or otherwise, except where required by applicable securities laws.

MINERAL PROPERTIES IN CANADA

E&L Claims

On June 3, 2016, the Company entered into a mineral property option agreement to acquire a 100% undivided interest in four mineral tenures located in the Liard Mining Division in northwest British Columbia, comprising 766.42 hectares known as the E&L Claims. In order to earn the interest, the Company is required make cash payments totaling \$100,000, issue 1,100,000 shares of the Company over a four-year schedule, and incur exploration expenditures on the property totaling \$375,000 by the end of the four-year option period. The option will be subject to a 2% net smelter return royalty retained by the optionor.

During September and October, 2016, the Company increased the size of its interest in the E&L property to a total of 6,477 hectares through three separate purchase agreements on an additional 32 mineral tenures contiguous to the Company's previously existing E&L claims.

With the expansion of the E&L, Garibaldi now controls major portions of key ground extending 20 km east-west between Colorado Resources' KSP project and Eskay Creek and 20 km north-south from the AltaGas McClymont Creek access road to the E&L. In total, Garibaldi's landholdings in the district now exceed 200 square km.

The Company completed detailed 3-D modelling in the fourth quarter of fiscal 2017 based on detailed geophysical surveys, which provided further insight into the morphology and distribution of the intrusions and massive sulphide component of the system. The Garibaldi E&L team, led by special adviser, Everett Makela, P.Geo., incorporated historical data pertaining to the deposit with the data obtained by the 3-D modelling. The compilation and interpretation revealed large-tonnage, high-grade nickel-copper exploration target within an intrusion defined over a length of four kilometres and a width of 1.5 kilometres.

Given the compelling data, including indications that the E&L intrusion may host more than one nickel-copper-cobalt sulphide deposit with associated precious metals and high nickel tenors, the Company proceeded with a full-scale heliborne versatile time-domain electromagnetic (VTEM) survey that can detect conductive sulphide bodies up to 300 metres in depth, plus range. In addition, airborne geophysics were carried out over the promising Brass Hill area approximately 2.7 kilometres northeast of the E&L deposit, where sampling in the Summer of 2016 returned exceptionally high zinc values as well as highly anomalous gold and copper.

Final data from the VTEM survey correlated with other current and historical geophysical and geological data compiled by Garibaldi's team of nickel sulphide experts, suggest that the Golden Triangle's only nickel-copper magmatic massive sulphide system is much larger than originally thought, and resulted in exceptional drill targets identified.

A fully financed phase 1 diamond drilling program commenced in August, 2017 targeting the VTEM conductor from the west and the east in a scissor pattern to ensure successful intersections.

Fourteen holes over 3,671 metres were completed at the historic Nickel Mountain. All 14 holes drilled completed returned broad sections of disseminated to blebby net-textured sulphides (pyrrhotite-pentlandite-chalcopyrite), hosted in olivine gabbro, consistent with a much larger-scale mineralizing event than ever previously suspected at Nickel Mountain. As well, x-ray fluorescence analysis of drill core supports the very high tenor of the sulphide.

Most notably, drill hole EL-17-14, completed to a depth of 252 metres and collared at 200 metres east of the historic E&L deposit, intersected an important new discovery zone featuring massive nickel-copper-rich sulphides. The hole, guided by successful earlier holes and Volterra borehole EM technology, entered massive sulphide mineralization at a depth of 123.75 metres and remained in massive sulphides over 16.75 metres within a broader 40.4-metre section grading 3.9 per cent nickel and 2.3 per cent copper from 100.4 metres to 140.8 metres (approximate true widths). The 16.75-metre massive sulphide intercept also included 6.4 grams per tonne combined platinum and palladium, 0.19 per cent cobalt, 1.1 grams per tonne gold, and 11.1 grams per tonne silver.

Assay results for other drill holes at Nickel Mountain underscore the very well-mineralized disseminated halo of the Nickel Mountain system, with increasing grades noted from EL-17-01 through EL-17-04 and each hole generating credits in palladium, platinum, gold, silver and cobalt to go along with high-grade nickel and copper.

- EL-17-01 was drilled away from the historic northwest zone toward the untested east, providing the best platform to collect important data from the downhole probe, a ground survey technique conducted from surface whereby a geophysical tool (more generally called a Bore-Hole Electro Magnetic, or BHEM system) is sent down a completed drill hole after the core is removed which is capable of detecting the location co-ordinates of conductors within surrounding rock units around the drill hole, which could indicate the presence of sulphides. Encouragingly, the hole intersected two long core intervals of disseminated sulphide mineralization totaling 176 m to a depth of 332 m, highlighted by a 60.5 m section grading 0.54 per cent nickel and 0.53 per cent copper. Higher grades of copper (0.80 per cent), palladium

(1.26 g/t), platinum (0.60 g/t) and gold (0.60 g/t) were intersected over 4.5 m starting at 279.5 m within a broad disseminated zone.

- EL-17-02 intersected broad core intervals of disseminated sulphide mineralization between a depth of 58.5 m and 190.5 m. Significant intercepts included 18 m at 0.69 per cent nickel and 0.80 per cent copper, and 24 m at 0.56 per cent nickel and 0.65 per cent copper. The hole was drilled toward the east into a previously untested area. Valuable data were generated from the downhole probe.
- EL-17-03, cutting across part of the historic northwest zone, intersected 13.5 m grading 1.05 per cent nickel and 1.0 per cent copper within a broader core interval of 39 m featuring 0.91 per cent nickel and 0.74 per cent copper beginning at a depth of 42 m.
- EL-17-04 cut 7.2 per cent nickel, 3.4 per cent copper, 0.82 g/t palladium, 0.78 g/t platinum, 0.40 g/t Au, 10 g/t Ag and 0.195 per cent cobalt over 4.8 m at the bottom of a broader 48.2 m interval from 108.4 m grading 1.1 per cent nickel, 0.69 per cent copper, 0.38 g/t palladium, 0.23 g/t platinum, 0.16 g/t Au, 3.1 g/t Ag and 0.032 per cent cobalt.
- EL-17-04 also intersected a second zone of mineralization within a variable-textured gabbro featuring 1.08 per cent nickel and 0.68 per cent copper over 12 m starting at a depth of 189 m.
- EL-17-08 returning 39.3 metres grading 1.27 per cent nickel and 0.81 per cent copper, starting from 25.7 metres, including 5.85 metres at 5.1 per cent nickel and 2.0 per cent copper.
- EL-17-09 east of the historic E&L deposit (Discovery zone) intersected two separate zones of mineralization including 9.9 metres of massive sulphides featuring 7.3 per cent nickel and 3.3 per cent copper within a broader 12-metre section grading 6.2 per cent nickel and 2.9 per cent copper

Drill data to date indicates a sequence of widening intercepts and increasing grades toward the discovery zone to the east, which remains open for expansion in all directions, including at depth.

As crews were preparing to drill a fifteenth hole (EL-17-15) toward another massive sulphide target, a severe winter storm enveloped the area and made conditions unsafe, causing a pause in drilling. The two rigs and other equipment have been winterized at the top of Nickel Mountain and drilling will resume as soon as weather conditions allow.

Mr. Everett Makela, P.Geo., a Qualified Person as defined by NI-43-01 regulations, has reviewed this MD&A and approved the above technical disclosure concerning the E&L property.

Grizzly

The Company has acquired the Grizzly claims located in the Sheslay Valley district of north western British Columbia, subject to a 2% net smelter return royalty. The Company has the option at any time to reduce the NSR to 1% for a payment of \$1,000,000 to the vendor.

The Grizzly property is an exciting early stage copper-gold porphyry project located in northwest B.C. in the emerging Sheslay district. Grizzly consists of 286 square kilometres and adjoins Prosper Gold Corp.'s Star project (an advanced porphyry copper-gold prospect) on its western and southern sides. In addition, Grizzly is contiguous to Doubleview Capital Corp.'s Hat property where a new drilling discovery was announced in 2014.

Initial assay results from the first five holes ever drilled by Garibaldi have revealed unique Sheslay district mineral discoveries along a 1.2-km wide portion of Grizzly Central including a potential large-scale deposit in a "Kaketsa multi-element ultramafic". The fertile Kaketsa pluton towers approximately 2.5 km west of the "Ultra 1 Zone" defined by three of the holes.

A fully winterized camp allows for the immediate continuation of Garibaldi's program while the discovery of the Ultra 1 Zone supports the theory that a series of "masked" deposits may exist at Grizzly Central which is almost entirely overburden-covered. Garibaldi is the Sheslay district's dominant landholder with seven regional target areas adjacent to gold-copper porphyry deposits on two other properties, 120 km west of the Red Chris mine.

Widely-spaced drill holes GC-15-01, GC-15-03 and GC-15-04 in the Grizzly Central Ultra 1 Zone intersected a very thick, homogeneous ultramafic "black unit", consisting of high-grade magnesium (grades ranging between 21.7% and 23.5% Mg in each hole) and elevated nickel (ranging between 0.11% and 0.15% Ni in each hole). This structure is preceded by consistent, highly elevated scandium at the top of each hole including 54 meters grading 34 g/t in GC-15-03.

All three holes bottomed in the strongly magnetic, fine-grained and intensely altered black unit which was intersected for 206 meters in GC-15-03.

Meanwhile, GC-15-05, collared 650 meters east of GC-15-03, returned consistent, highly elevated scandium in all assayed 3-meter core samples (20 in total) at various depths throughout its 253-meter length. This included a 33-meter section (from 19 meters to 52 meters) grading 34 g/t Sc, while the final 3 meters of the hole returned the highest scandium grade of 39 g/t.

Multiple high-opportunity targets have been identified from Grizzly West to West Kaketsa to Grizzly Central to Grizzly South.

Maps showing location, sampling areas and full results from recent work completed at West Kaketsa and Grizzly West are available on the Garibaldi web site.

Charles Greig, MSc, P.Geo., a Qualified Person as defined by National Instrument 43-01 regulations, has reviewed this MD&A and has approved above technical disclosure concerning the Grizzly property.

King Property

The Company has acquired a 100% interest in six mineral tenures comprising 1,720 hectares located in the Iskut River area of British Columbia, known as the King property. The property is subject to a net smelter royalty of 2%.

Recognizing the significance of developments rapidly unfolding in a key part of northwest British Columbia's Golden Triangle that hosts the high-grade Valley of the Kings mine slated for production in 2017, Garibaldi has increased its landholdings in this prolific district by nearly 10-fold through the following transactions:

1. Garibaldi executed an option to acquire up to a 95% interest in the 8,070-hectare Palm Springs Property (PSP), a high-grade gold and Eskay Creek-type target located 5 km northwest of the past producing world class Eskay Creek mine and contiguous to Tudor Gold's Eskay North Property;
2. Garibaldi staked an additional 1,770 hectares of claims adjoining the northeast boundary of Barrick Gold's historic Eskay Creek mine;
3. Garibaldi tripled the size of its King Property, immediately north of the past producing high-grade Snip gold mine, by purchasing an additional 17 claims (King South) covering approximately 3,052 hectares contiguous to the southern border of the King. This property now comprises 46 sq. km.

The expansion of the King has divided the project into King North and King South, two adjoining packages, with King South just several km northeast of the past producing Snip mine. Since August 2016, Skeena Resources has been carrying out a successful drill program at Snip in an attempt to define new resources outside of the historical mined areas.

King North, featuring at least three mineralized zones, is more advanced than King South and is permitted for drilling. Limited trenching and sampling carried out by the Company over an area identified in the 1980's at King North supports historical results suggesting a high-grade interval in one North zone trench averaged 295 g/t Ag with 19.4% combined Pb-Zn over 6 meters across the strike of the mineralized zone.

The South zone at King North is also prospective for high-grade silver-lead-zinc mineralization while the Central zone has returned high-grade gold values from historical surface sampling at the Chubby Creek prospect.

Information gathered from last summer's exploration program is being analyzed and an update on the King is expected during 2018.

Mr. Carl Von Einsiedel, P.Geo., a Qualified Person as defined by NI-43-01 regulations, has reviewed this MD&A and approved the above technical disclosure concerning the King property.

Palm Springs Property

Much of the Palm Springs Property features receding glaciers, exposing previously hidden favorable volcano-sedimentary stratigraphy similar to Eskay Creek. Historic surface sampling by Noranda returned high-grade gold and copper values and revealed unique Eskay Creek-type pathfinder minerals in trenches and outcrops below the Palm Springs showing. Mr. John Buckle, P.Geo., P.Geoph., who has been responsible for the discovery of several mineral deposits, will lead the upcoming exploration effort at Palm Springs.

Sid & Sunrise

On October 5, 2016, the Company entered into a mineral property option agreement to acquire a 100% interest in nine mineral tenures located in the Omenica Mining Division in British Columbia, comprising

2,443.17 hectares known as the SID claims. In order to earn the interest, the Company will be required to issue 2,000,000 common shares of the Company over a four-year period and incur exploration expenditures on the property totaling \$1,000,000 by the end of the four-year option period. The option will be subject to a 2% net smelter royalty retained by the optionor.

Tora Tora

The Tora Tora property was acquired at a nominal cost, subject to a 2% net smelter returns royalty and is located near Princeton, B.C., 25km's north of the producing Copper Mountain mine. The property is largely overburden covered but features a prominent circular-shaped magnetic anomaly, which management believes may be the expression of a buried intrusive body.

Garibaldi is following up on a 2013 aeromagnetic survey of this distinct target located just 2 km west of Se-go Resources' 2012 discovery hole (DDH-12-21; 100.4 m of 0.95 per cent Cu, 0.55 g/t Au and 3.5 g/t Ag).

In January 2017, the Company completed the first two drill holes of a phase 1 maiden diamond drilling program at Tora Tora. The holes were collared 250 metres apart and were drilled to depths of nearly 200 metres, deeper and farther north than any of the several historical holes that were completed at Tora Tora 25 years ago. Targets were selected based on coincident geochemical and geophysical anomalies.

Drill core samples were sent to an accredited lab in Vancouver for analysis. Each of the first two test holes intersected propylitic alteration throughout, associated with the outer distal zonation of copper porphyries. The bottom of the second hole, drilled to a depth of 190.5 metres, returned anomalous copper mineralization in a pyrite-dominated sulphide assemblage with minor chalcopyrite occurring in quartz-carbonate veins, blebs and fine-grained disseminations. Garibaldi geologists were encouraged by the extensive new information acquired from this exploratory drilling, which will provide important guidance for the next phase of drilling.

The company has staked an additional three claims attached to the northeast corner of the property.

Caribou Copper-Gold Claims

On April 3, 2017, the Company acquired the option to earn a 100% interest in five mineral tenures comprising 1,753 hectares bordering Engold's new copper-gold-silver discovery 20 kilometres northeast of Lac La Hache. The vendor will retain a 2-per-cent net smelter return royalty, of which the Company can purchase half at any time for \$1,500,000.

The underlying prospective rock units and contact zones relating to mineralization at Engold's Lac La Hache property trend northwest-southeast onto Garibaldi's southern block of claims.

Mr. John Buckle, P.Geo., P.Geoph., a Qualified Person as defined by NI-43-01 regulations, has reviewed this MD&A and approved the above technical disclosure concerning the Palm Springs, Sid & Sunrise, Tora Tora and Caribou Copper-Gold properties.

Black Gold

The Company owns, through its 100% owned subsidiary, San Pedro Stone Inc., a granite quarry known as Black Gold which is located 40 kms north of Grand Forks, B.C. There is a quarry permit issued by the B.C. Ministry of Mines as well as a reclamation deposit in place.

Garibaldi's Black Gold claims are potentially suitable for extraction of dimension-stone-quality black granite. Garibaldi's new management group retained this legacy asset after securing an independent assessment indicating that the size of the deposit combined with the unique and attractive appearance of the stone had potential commercial value worthy of further evaluation.

The company continues to examine ways to unlock the value of Black Gold.

Red Lion

The Company has acquired six mineral tenures located in the Omineca Mining Division of British Columbia, known as the Red Lion Property. The optionor retained a net smelter return royalty of 2% which may be reduced to 1% by the Company at any time for \$2,000,000.

The Red Lion property is located in northwest B.C. approximately 67 kilometres southeast of the Kemess mine and adjoins the Kliyul Cu-Au Porphyry project under option to Teck Resources Ltd. Red Lion shows extremely strong Cu-Au stream sediment geochemistry in both government regional geochemical survey responses and follow-up proprietary surveys. Access and infrastructure at Red Lion are excellent with the power line to the Kemess South mine only three kilometres away.

Extensive geophysical and surface sampling programs carried out, combined with compilation and contouring of historical soil sampling results from RL Ridge, have revealed a 10-kilometre-long northwest-southeast-trending mineralized corridor in the prospective Quesnel trough. This large corridor is parallel to the Omineca mining road and power lines to Kemess that strategically pass through the Red Lion claims.

The Red Lion, never previously drilled, was gradually expanded to 75 square kilometres from the original 35 square kilometres acquired by Garibaldi in early 2014. The property is contiguous to the Kliyul project, and drill permits are pending.

Three major target areas along Red Lion corridor include:

- An extensive copper-in-soil anomaly at the RL Ridge target stretches northwest-southeast for 4.2 kilometres and east-west for 400 metres to 800 metres within a broader anomaly up to 1.7 kilometres wide.
- Parallel to the east of this large geochemical anomaly is a 2.4-kilometre-long induced polarization chargeability high, open to the north and south, that continues up slope from the Omineca road. The IP high coincides with anomalous copper-gold rock, soil and stream sediment results along with a magnetic high that is known to be underlain by a diorite to a monzodiorite intrusive in a largely overburden-covered area (RL East target).

- A second chargeability high, 1.8 kilometres long, is located fewer than two kilometres northwest of RL Ridge at the RL West target and also coincides with anomalous copper-gold rock, soil and stream sediment results and a magnetic high underlain by a diorite intrusive.

Significantly, the four chip samples at RL West with the highest measured chargeability were associated with abundant pyrite and assayed the highest grades in gold, copper and cobalt. Those values ranged from 1.07 grams per tonne gold to 37.5 g/t Au, 0.21 per cent copper to 13.6 per cent Cu, and anomalous cobalt to 0.55 per cent Co. Extensive outcropping exists at RL West, and numerous areas have yet to be sampled. The fact that the chargeability high appears to be related to sulphides carrying mineralization is extremely encouraging.

The IP chargeability highs at Red Lion are similar to those measured at the adjoining Kliyul property to the south.

Charles Greig, MSc, P.Geo., a Qualified Person as defined by NI-43-01 regulations, has reviewed this MD&A and approved the above technical disclosure concerning the Red Lion property.

MINERAL PROPERTIES IN MEXICO

Garibaldi has utilized the most sophisticated remote sensing technology in the world to explore for new gold-silver and base metal deposits in the central and northern parts of Mexico's prolific Sierra Madre. The Company currently controls four properties in this region strategically located close to some of the most robust gold and silver mining projects ever discovered in Mexico.

These properties, namely, Rodadero, Iris, Tonichi and Onavas (an extension of Tonichi), were acquired because they covered broad areas of virtually unexplored hydrothermal alteration that are strikingly similar to the alteration zones associated with many nearby known deposits. All of these properties have potential to host multiple mineralized zones and management believes the Company's portfolio represents an exceptional, leveraged exploration opportunity.

The Company has completed a state-of-the-art, fixed wing alteration mapping survey (hyperspectral survey) covering Rodadero, Iris, Tonichi and Onavas. The hyperspectral survey identified multiple high priority target areas at each of these properties.

Another key property for Garibaldi in Mexico is La Patilla, which was acquired by the Company in the spring of 2013. La Patilla is located in the Rosario-Las Rastras Mining District of Sinaloa State south of the Company's other Mexican properties. With gold mineralization at very shallow depths, La Patilla was acquired for its near-term exploitation potential.

Garibaldi has experienced field crews and a dedicated drill rig deployed in Mexico and the Company continues to carry out exploration on the high priority targets identified by hyperspectral survey.

The Company's mineral properties in Mexico are further described below:

La Patilla

The Company has acquired a 100% interest in the 99 hectare La Patilla property located in the Municipality of El Rosario, State of Sinaloa, Mexico. Should the property be placed in commercial production, the Company will be required to issue 800,000 shares pursuant to the terms of an option agreement, and will pay a 3% NSR royalty capped at US\$3,000,000. The NSR may be reduced to 1% at any time upon the payment of \$2,000,000 by the Company to the vendor.

La Patilla was acquired as a potential near-term exploitation project. Several gold-bearing quartz veins and/or breccia bodies at La Patilla have drawn interest from artisanal miners for many years. The property features easy access, relatively flat terrain at low elevations, and is surrounded by excellent infrastructure in an established mining district. Garibaldi has also negotiated a long-term agreement with the local community to allow for any potential future metal extraction on the property by the company.

First-ever diamond drilling at La Patilla returned highly encouraging gold values near-surface including an interval grading 10.4 g/t Au over 8.5 meters in LP-14.

Garibaldi has received excellent metallurgical results for the La Patilla vein system with a gold recovery rate of 95 per cent from a flotation test carried out by the Mexican Geological Survey in Chihuahua City.

The analyzed head grade for the sample (7.9 kilograms) was 17.7 g/t gold. Material was taken from surface exposures in the vein system where previous drilling reported high-grade gold values. Garibaldi cautions that the head grade is not necessarily representative of mineralization at La Patilla in general or, specifically, within the zones, structures or geological features that were sampled for the metallurgical testing.

Iris

The Company has acquired a 100% interest in the Iris property located in Chihuahua State, Mexico. The property is subject to a 2% net smelter return royalty. The Company has the right to buy down the net smelter return royalty to 1% by paying US\$1,500,000 to the vendor.

The Iris property has drill-ready targets and is strategically located in the heart of a robust mining and exploration camp in western Chihuahua State. The property is in the area of several recently discovered mines, including Agnico Eagle's Pinos Altos mine and Minera Frisco's Ocampo mine.

Minera Frisco is also actively exploring a land package (the Venus Property) contiguous to the eastern border of Iris, in between Garibaldi's concession and Agnico Eagle's ground which hosts Pinos Altos.

Garibaldi acquired Iris based on an ASTER-SWIR satellite image outlining a distinct silica anomaly and the observation that the regional Ocampo caldera rim that bisects Pinos Altos traverses through the northern portion of Iris. Both Agnico Eagle and Aurico Gold (later acquired by Minera Frisco) purchased Garibaldi's proprietary hyperspectral data of the Ocampo mining district.

Sonora Properties

The Company owns three non-contiguous concession packages in Sonora State, Mexico, known as the Tonichi, Onavas and Rodadero properties.

The Company must incur minimum exploration and development expenditures approximating \$75,000 per year to keep the concessions in good standing. The concessions will each be subject to a 1% net smelter return royalty which the Company can purchase at any time for \$1,000,000 each.

Rodadero

The Rodadero property, where the Company made a high-grade discovery in 2014 at the Silver Eagle target, is located approximately 90 kms northwest of Agnico Eagle's La India mine and Alamos Gold's Mulatos mine. The Company has built significantly on the work of the Mexican Department of Mines whose geological maps for Rodadero showed numerous known gold and silver occurrences, placer gold occurrences and more importantly large areas of alteration similar to the alteration zones identified in the Mulatos area. Detailed geological work at Mulatos has demonstrated that the large alteration zones are associated with epithermal systems that formed gold deposits.

The Company has carried out an extensive exploration program at Rodadero to evaluate the mineralized zones located to date. Additional sampling and detailed mapping ahead of reducing the concessions to cover only the significant areas of mineralization was completed. This work resulted in the identification of several important targets. After reduction of the concessions, the mineralized areas were divided into the Rodadero North and Rodadero South areas.

Rodadero North Target Areas

The Company has identified 12 targets at Rodadero North - Silver Eagle, Rambo, El Rey, Dolores, Batuc, La Fortuna, La Colorada, Tarichi, Reales, La Tortuga, La Estrella and Iqualama - through mapping, sampling and the use of the Company's hyperspectral database (see map at www.garibaldiresources.com).

Mapping and broadly-spaced sampling at Silver Eagle has outlined three new mineral horizons surrounding the near-surface, high-grade deposit west and up to 350 meters north of discovery hole SE-14-01. Silver Eagle is a nearly flat lying tabular mineralized body. Significantly, after an extensive review of data, company geologists and technical advisers now believe that the Silver Eagle and Reales targets along the western side of Rodadero are indeed linked as part of a north-northwest trending structural zone extending for at least 2.5 km.

Meanwhile, a potential new discovery area called Rambo, with the target being high-grade gold, is located approximately 6 km east of the Silver Eagle near-surface deposit, which was defined in 2014 and 2015. Rambo is contiguous to the northern boundary of privately held claims where a small-scale mining operation is extracting both high-grade gold and high-grade silver.

In addition to Silver Eagle and Rambo, 10 other mineralized centers have so far been outlined at Rodadero over nearly 50 sq. km through mapping, sampling and the use of the company's proprietary hyperspectral database.

Tonichi

The Tonichi property is located approximately 90 kms west of Alamos Gold's Mulatos mine. Tonichi shows gold and silver as well as porphyry copper and porphyry molybdenum occurrences.

The Tonichi concessions host a multitude of mineral prospects within broad zones of intense alteration over many square km. These target areas are being explored for potential drill targets in addition to the Locust “gold in soil” anomaly. The Company completed a trenching and mapping program on the Locust target to develop plans for future drilling. At the same time, the Company continued with the ongoing assessment of multiple targets identified by hyperspectral survey. Garibaldi's hyperspectral remote sensing technology has been a rapid, cost-effective method of identifying the best drill targets throughout this strategic land package.

The Company's drilling efforts were focused on the Locust target in the northern part of Tonichi where the Company was following up on an important mineralized intercept (0.24 g/t gold and 0.16% copper over 104.6 meters) in hole MAR-13-02. Drilling at Locust (2745 meters in 16 widely spaced holes) with the Company's own diamond drill rig outlined a broad envelope of near-surface mineralization that measures at least 5 km along trend and 1-2 km across. The exploration targets are an oxide gold deposit and/or a gold-copper porphyry system.

Onavas

The Onavas property is an extension of Tonichi.

Dr. Craig Gibson, PhD., Certified Professional Geologist, and a director of the Company is the Qualified Person as defined by NI 43-101, who has reviewed and approved the technical information on the Mexican properties contained in this MD&A on behalf of the Company.

OVERALL PERFORMANCE

We are a mineral exploration issuer engaged in the business of the acquisition, exploration and, if warranted, development of mineral properties. As such, we have not had any revenues in the past two fiscal years. We do not expect to generate consistent revenues from production of our properties in the foreseeable future. We expect the Company to continue to incur expenses as we work to further explore and develop our mineral properties.

The recoverability of minerals from the Company's mineral properties is dependent upon, among other things, the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to continue to explore and develop our properties and upon future profitable production. Additional funds may need to be raised in the future through equity financings. Although we have secured financings in the past, there is no assurance that we will be able to do so in the future on terms that are favourable to our company or at all.

DISCUSSION OF OPERATIONS

The Company recorded a net and comprehensive loss of \$1,178,180 for the nine months ended October 31, 2017 compared to \$284,778 for the nine months ended October 31, 2016. The principal reason for the increase in net loss in the current period is due to non-cash share based compensation charges of \$972,000 recognized in connection with share purchase options granted to certain directors, officers and consultants during the nine months ended October 31, 2017.

Garibaldi Resources Corp.
Management Discussion & Analysis
For the nine months ended October 31, 2017

Operating expenses for the nine months ended October 31, 2017 were \$1,513,508 compared to \$484,963 for the nine months ended October 31, 2016. The principal reason for the increase in operating expenses in the current period is a result of the share based compensation charges discussed above.

Consulting fees increased by \$85,472, which was offset by a decrease in salaries and wages of \$87,056, as a result of the transition of a full-time employee out of salaries and wages to a consulting role.

Shareholder communications costs increased by \$17,060 as a result of an increase in discretionary spending for a corporate communications and investor relations program.

Office and miscellaneous charges increased as a result one time charges associated with the realizability of IVA recoverable.

During the nine months ended October 31, 2017 there were no gains or losses on the sale of marketable securities, compared to a gain of \$124,592 on the sale of marketable securities recognized in the comparable period. The decrease occurred because the Company engaged in no trading in securities in the period, after having sold, during fiscal 2017, a large portion of the marketable securities that then remained.

The Company incurred expenditures on exploration and evaluation assets of \$2,972,370 during the nine months ended October 31, 2017 compared to \$472,211 during the nine months ended October 31, 2016. The principal reason for the increase in exploration expenditures is for surveying work and drilling activities being carried on the Company's E&L property, including setting up a drill camp.

SUMMARY OF QUARTERLY RESULTS

The figures for the quarters ended January 31, 2017 and 2016 are derived from the Company's audited annual consolidated financial statements. All other quarterly figures are derived from the Company's unaudited condensed interim consolidated financial statements.

	Oct. 31 2017 \$	Jul. 31 2017 \$	Apr. 30 2017 \$	Jan. 31 2017 \$
Comprehensive income (loss)	(819,088)	(197,893)	(161,199)	(151,514)
Basic income (loss) per share	(0.01)	(0.00)	(0.00)	(0.00)
Fully diluted income (loss) per share	(0.01)	(0.00)	(0.00)	(0.00)

	Oct. 31 2016 \$	Jul. 31 2016 \$	Apr. 30 2016 \$	Jan. 31 2016 \$
Comprehensive income (loss)	(134,298)	(103,350)	(47,130)	(443,383)
Basic income (loss) per share	(0.00)	(0.00)	(0.01)	(0.00)

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Fully diluted income (loss) per share	(0.00)	(0.00)	(0.01)	(0.00)
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The Company acknowledges that there can be material fluctuations in quarterly results. In the above table, large variances in quarterly results are due to gains or losses in the fair value of marketable securities, write-off of exploration and evaluation assets and share-based payments expense.

LIQUIDITY AND CAPITAL RESOURCES

The Company has financed its operations and mineral property exploration programs to date primarily through the issuance of common shares. During the nine-month period ended October 31, 2017, the Company raised \$17,277,000 through the issuance of 17,443,492 common shares through private placement financings, and \$814,350 through the issuance of 3,966,583 common shares pursuant to the exercise of share purchase options and warrants.

The Company currently estimates that the administration of its corporate overhead will cost in the order of \$200,000 per quarter or \$800,000 per year. As well, some of the Company's property interests have been acquired by way of option agreements which carry ongoing cash and expenditure obligations. Another obligation with respect to its Mexican properties is the payment of the annual property maintenance taxes.

At October 31, 2017, the Company had cash on hand of \$15,061,412, which the Company believes is sufficient to meet its ongoing commitments and further its exploration programs for at least the next twelve months.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements to report.

TRANSACTIONS BETWEEN RELATED PARTIES

Directors and Officers

At September 29, 2017, the directors of the Company are Steve Regoci, Barrie DiCatri, Greg Burnett, Craig Gibson, Everett Makela, and Dr. Raymond Goldie. The officers of the Company are Steve Regoci, Chief Executive Officer and Barrie DiCatri, Chief Financial Officer.

Related party transactions

The Company incurred the following charges by directors and officers of the Company or by companies with directors and officers in common with the Company during the three and nine months ended October 31, 2017 and 2016:

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	Three Months Ended October 31,		Nine Months Ended October 31,	
	2017	2016	2017	2016
Management fees	\$ 72,000	\$ 72,000	\$ 216,000	\$ 216,000
Consulting fees	7,000	-	34,000	-
Share based payments	288,000	-	288,000	-
Wages	-	24,000	-	72,000
	\$ 367,000	\$ 96,000	\$ 538,000	\$ 288,000

For the nine months ended October 31, 2017, management fees include \$108,000 paid or accrued to Steve Regoci and \$108,000 paid or accrued to Barrie DiCatri. Consulting fees of \$28,000 were accrued to Rafael Hinojosa, an officer and former director of the Company and consulting fees of \$6,000 were paid or accrued to Greg Burnett. In addition, the Company recorded \$96,000 in share based compensation charges in respect of options granted to each of the following directors and officers: Everett Makela, Greg Burnett and Rafael Hinojosa.

For the nine months ended October 31, 2016, management fees include \$108,000 accrued or paid to Steve Regoci and \$108,000 accrued or paid to Barrie DiCatri. Wages of \$72,000 were paid to Rafael Hinojosa, a former director of the Company.

Key management personnel compensation

The Company considers its Chief Executive Officer, Chief Financial Officer and Vice President and Manager of Mexican Operations to be key management. The Company incurred the following key management compensation charges during the three and nine months ended October 31, 2017 and 2016:

	Three Months Ended October 31,		Nine Months Ended October 31,	
	2017	2016	2017	2016
Short-term benefits	\$ 78,000	\$ 96,000	\$ 244,000	\$ 288,000
Share-based payments	96,000	-	96,000	-
	\$ 174,000	\$ 96,000	\$ 340,000	\$ 288,000

At October 31, 2017, accounts payable and accrued liabilities included \$361,950 (January 31, 2017: \$407,550) due to directors of the Company for services provided, which includes an amount of \$180,975 due to Barrie DiCatri, \$177,975 due to Steve Regoci, and \$3,000 due to Greg Burnett.

At October 31, 2017, related party notes payable includes \$6,554 due to Barrie DiCatri, for loans made to the Company to fund operations.

Amounts due to related parties are unsecured, non-interest bearing and have no specific terms of repayment.

PROPOSED TRANSACTIONS

The Company has no proposed transactions to report.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

There were no new accounting standards or amendments adopted during the nine months ended October 31, 2017.

Accounting standards and amendments that are mandatory for accounting periods beginning on or after February 1, 2018 are disclosed in Note 3 to the consolidated financial statements for the nine months ended October 31, 2017 and are not expected to have a significant effect on the Company's future results and financial position.

CRITICAL ACCOUNTING ESTIMATES

Preparation of the Company's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities and the reported amounts of revenues and expenses during a 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.

The areas which require management to make significant estimates and assumptions in determining carrying values include, but are not limited to:

Title to Mineral Properties:

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

Exploration and Evaluation Expenditures:

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

Site Closure and Reclamation Provisions:

The Company assesses its mineral properties' rehabilitation provision at each reporting date or when new material information becomes available. Exploration, development and mining activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are continually changing and the Company has made, and intends to make in the future, expenditures to comply with such laws and regulations. Accounting for reclamation obligations requires management to make estimates of the future costs that the Company will incur to complete the reclamation work required to comply with existing laws and regulations at each location. Actual costs incurred may differ from those amounts estimated.

Also, future changes to environmental laws and regulations could increase the extent of reclamation and remediation work required to be performed by the Company. Increases in future costs could

materially impact any amounts charged to operations for reclamation and remediation. At the periods presented, no reclamation obligation has been incurred. Therefore, no provision has been recorded which represents management's best estimate of the present value of the future reclamation and remediation obligation. The actual future expenditures may differ from the amounts currently provided.

Share-Based Payments:

Management uses valuation techniques in measuring the fair value of share options granted. The fair value is determined using the Black Scholes option pricing model which requires management to make certain estimates, judgements, and assumptions in relation to the expected life of the share options, expected volatility, expected risk-free rate, and expected forfeiture rate. Changes to these assumptions could have a material impact on the Company's consolidated financial statements.

Deferred Income Taxes:

Judgement is required to determine which types of arrangements are considered to be a tax on income in contrast to an operating cost. Judgement is also required in determining whether deferred tax liabilities are recognized in the consolidated statement of financial position. Deferred tax assets, including those potentially arising from un-utilized tax losses, require management to assess the likelihood that the Company will generate sufficient taxable income in future periods, in order to recognize deferred tax assets. Assumptions about the generation of future taxable income depend on management's estimates of future operations and cash flows. These estimates of future taxable income are based on forecast cash flows from operations (which are impacted by production and sales volumes, commodity prices, reserves, operating costs, closure and rehabilitation costs, capital expenditure, and other capital management transactions) and judgement about the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize deferred tax assets or offset these against any deferred tax liabilities recorded at the reporting date could be impacted.

RISKS AND UNCERTAINTIES

In addition to the risks and uncertainties outlined earlier in this management discussion, the Company is also subject to other risks and uncertainties including the following:

General Risk Associated with the Mining Industry

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

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

Dependence on Key Personnel

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

Option Agreements

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

OUTSTANDING SHARE DATA

Number of Issued and Outstanding Shares

At December 29, 2017 96,860,553

Warrants

At December 29, 2017, there were 14,047,131 share purchase warrants outstanding entitling the holders thereof the right to purchase one common share for each warrant held as follows:

Number of warrants Outstanding	Exercise Price	Expiry Date
833,333	\$0.20	December 23, 2017
2,000,000	\$0.25	June 5, 2019
1,092,500	\$0.20	July 11, 2019
200,000	\$0.20	August 13, 2019
2,031,998	\$0.60	August 16, 2019
2,140,000	\$1.05	October 2, 2019
2,574,697	\$1.05	October 5, 2019
2,539,683	\$4.50	October 20, 2019
634,920	\$4.50	October 31, 2019
<u>14,047,131</u>		

Stock Options

At December 29, 2017, there were 5,250,000 stock options outstanding entitling the holders thereof the right to purchase one common share for each option held as follows:

Number of options Outstanding	Exercise Price	Expiry Date
350,000	\$0.20	February 3, 2019
2,000,000	\$0.10	July 30, 2020
1,200,000	\$0.20	December 24, 2020
1,500,000	\$0.50	August 18, 2022
200,000	\$1.50	September 26, 2022
<u>5,250,000</u>		

Additional Information

Additional information concerning the Company and its operations is available on the SEDAR website at www.sedar.com