

**Ashburton Ventures Inc.
Management Discussion & Analysis
For the Period Ended July 31, 2017**

September 27, 2017

The following management discussion and analysis (“MD&A”) is a review of the operations, current financial position and outlook for Ashburton Ventures Inc. (“the Company” or “Ashburton”) and should be read in conjunction with the Company’s unaudited condensed consolidated interim financial statements and the accompanying notes for the period ended July 31, 2017, which were prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting and are filed on the SEDAR website: www.sedar.com.

The reader should also refer to the Company’s audited consolidated financial statements and the accompanying notes for the year ended April 30, 2017, which were prepared in accordance with IFRS.

All dollar figures included herein and in the following discussion and analysis are quoted in Canadian dollars unless otherwise noted.

This MD&A may contain forward-looking statements based on assumptions and judgments of management regarding events or results that may prove to be inaccurate as a result of exploration or other risk factors beyond its control. Actual results may differ materially from the expected results.

FORWARD-LOOKING STATEMENTS

Certain information in this MD&A, including all statements that are not historical facts, constitutes forward-looking information within the meaning of applicable Canadian securities laws. Such forward-looking information may include, but is not limited to, information which reflect management’s expectations regarding the Company’s future growth, results of operations (including, without limitation, future production and capital expenditures), performance (both operational and financial) and business prospects (including the timing and development of new deposits and the success of exploration activities) and opportunities. Often, this information includes words such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate” or “believes” or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

In making and providing the forward-looking information included in this MD&A the Company’s assumptions may include among other things: (i) assumptions about the price of metals; (ii) that there are no material delays in the optimisation of operations at the exploration and evaluation assets; (iii) assumptions about operating costs and expenditures; (iv) assumptions about future production and recovery; (v) that there is no unanticipated fluctuation in foreign exchange rates; and (vi) that there is no material deterioration in general economic conditions. Although management believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance or achievements, or results, to be materially different from future results, performance or achievements expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include among other things the following: (i) decreases in the price of base metals; (ii) the risk that the Company will continue to have negative operating cash flow; (iii) the risk that additional financing will not be obtained as and when required; (iv) material increases in operating costs; (v) adverse fluctuations in foreign exchange rates; and (vi) environmental risks and changes in environmental legislation.

This MD&A (See “Risks and Uncertainties”) and the Company’s annual information form contain information on risks, uncertainties and other factors relating to the forward-looking information. Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Also, many of the factors are beyond the Company’s control. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to reissue or update forward looking information as a result of new information or events after the date of this MD&A except as may be required by law. All forward-looking information disclosed in this document is qualified by this cautionary statement.

OVERVIEW

The Company was incorporated under the Laws of British Columbia, Canada on November 10, 2006.

The Company is primarily engaged in the acquisition and exploration of exploration and evaluation assets located in Canada.

As a junior mineral exploration company, the Company’s core assets are the exploration rights to its mineral properties. The Company’s current objective is to seek out and acquire prospective mineral exploration properties in North America with the view to exploring and developing the properties. The Company has acquired several options on land packages since completing its qualifying transactions.

The Company currently has no producing properties, and consequently no operating income or cash flow. The Company is dependent on the equities markets to finance all of its activities and anticipates that it will continue to rely on this source of funding for its exploration expenditures and to meet its ongoing working capital requirements.

The Company’s shares are listed for trading on the TSX Venture Exchange (“TSX-V”) under the trading symbol ABR.

SIGNIFICANT EVENTS / OVERALL PERFORMANCE

MINERAL PROPERTIES

Buckingham Graphite Project, Quebec

On December 5, 2016, the Company announced the completion of the ground-based PhiSpy geophysical survey undertaken by DD Geoscience of Ottawa, Ontario on its Buckingham Graphite property located in Southwestern Quebec. The survey’s result will allow a short and more focused drilling program (Phase III) that will help define the geometry of the graphite deposit and ultimately obtain a NI 43-101 compliant resource estimate.

The Company also announced that the phase three drilling program had commenced and will expand on previous drilling completed in Q3 2016.

Furthermore, Ashburton has sent an 80 kg of bulk sample of graphite-rich core material to the SGS Metallurgical Laboratory to characterize the graphite concentrate such as its mineralogical composition, flake sizes, recoverability and particle distribution and to establish a flotation procedure.

President and chief executive officer Michael England stated: "This program will provide additional data which will be incorporated into an up-to-date 43-101 being written by Inlandsis Consultants of Montreal, Quebec."

The Buckingham graphite property consists of 18 claims in ranges VIII and IX, Buckingham Township, Quebec, which cover an area of 1,082 hectares. Exploration on the southern part of the claim group has yielded assay results as high as 21.6 per cent Cg (graphitic carbon) over 14.5 metres from channel samples and purity results up to 96.1 per cent Ct (total carbon) from largeflake fractions (see Cavan PR dated July 17, 2014 and May 28, 2015). A first-phase drill program returned assays of 112 meters of 4.07% (see PR dated February 11, 2016) as well as 16 meters of 11.09% Cg and 88 meters of 3.29% Cg. (see PR dated June 23, 2016).

On October 18, 2016, the Company announced that it had completed its summer drilling campaign (Phase 2) on the Buckingham Graphite Property located in southwestern Quebec. Seven diamond drill holes were collared to investigate the northeastern extension of the 1,500 m long, geophysical conductor of which the southwest portion was investigated during the drilling program implemented in December 2015. Three additional holes targeted a sub-parallel, 300 m-long conductor, located 300 m to the west of the main conductor. Graphite-bearing formations were intersected in eight of ten holes. A total of 1937 m of drill core was extracted yielding 1066 samples that were analyzed for Cg (including the QA/QC samples).

Mineralized intersections from assay results for each diamond drill holes are summarized in the following table and the location of the DDH presented in the figure below:

Hole ID	Eastings	Northing*	Azimuth (°)	Plunge (°)	Depth (m)	From (m)	To (m)	Length (m) [#]	Cg (wt. %)
BH16-01	460688	5054841	318	-45	200	108	129	21	2.48
						146	177	32	2.22
						191	200	9	2.62
BH16-02	460727	5054891	318	-45	199	69	74	5	4.45
						124	149	25	3.24
BH16-03	460726	5054890	356	-45	200	87	101	14	4.33
						176	200	24	6.28
including						177	184	7	17.90
BH16-04	460913	5055258	315	-45	200	41	49	8	2.75
						94	122	28	3.88
including						106	116	10	5.75
BH16-05	460852	5055336	0	-45	200	29	34	5	1.63
						165	170	5	1.43
BH16-06	460361	5055020	326	-45	199	2	72	70	5.18
including						11	25	14	12.52
Hole ID	Eastings	Northing*	Azimuth (°)	Plunge (°)	Depth (m)	From (m)	To (m)	Length (m) [#]	Cg (wt. %)
BH16-07	460284	5054968	324	-45	199		No significant result		
BH16-08	460762	5055173	164	-45	200	91	101	10	4.42
						113	130	18	3.20
						148	184	36	3.34
BH16-09	460327	5054993			141		No significant result		
BH16-10 [#]	460554	5054650	315	-45	199	48	79	32	2.34

* UTM coord.: NAD83, Zone 18N

[#] Apparent thickness

[#] Incomplete hole

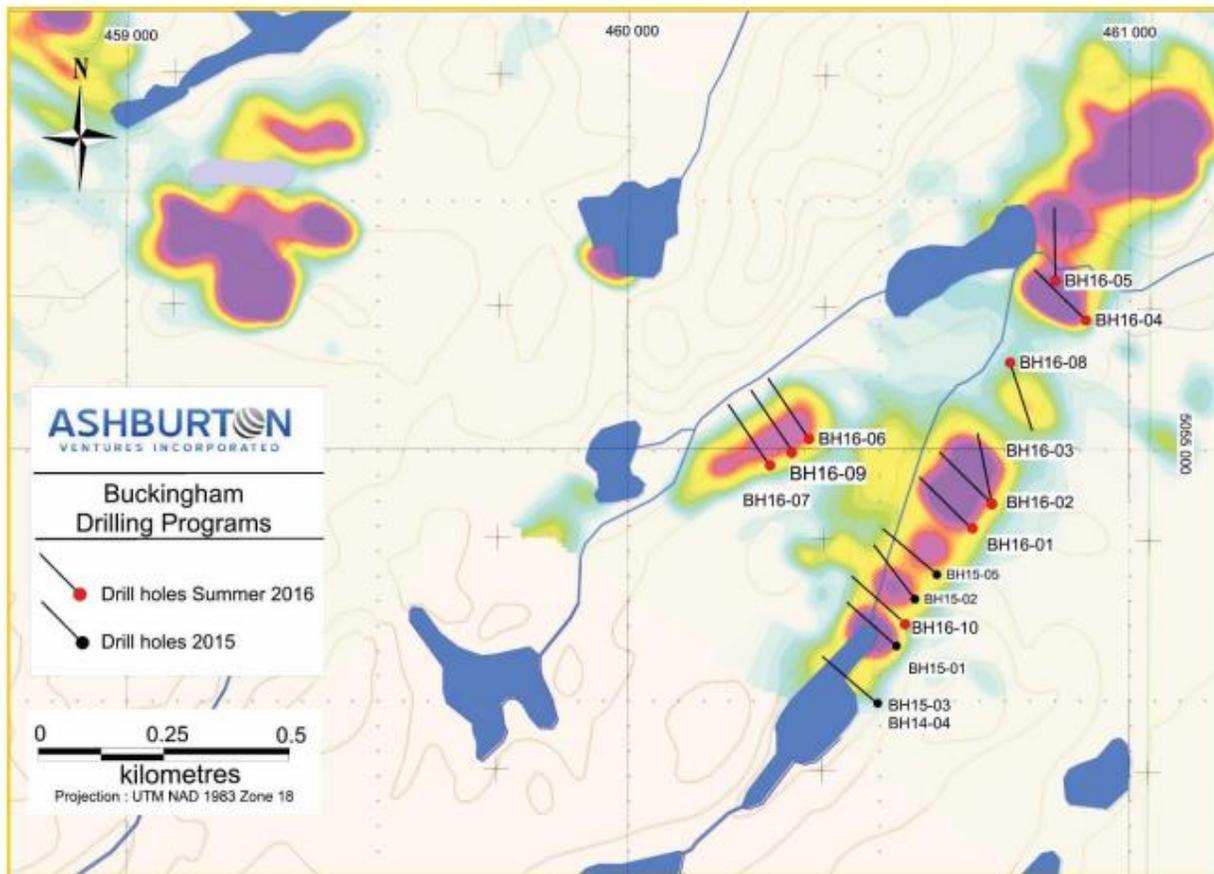
Best obtained drill intersections include:

- 70 m @ 5.18 wt. % Cg including 14m @ 12.52 wt.% Cg (BH16-06)
- 24 m @ 6.28 wt. % Cg including 7 m @ 17.90 wt. % Cg (BH16-03), 28 m @ 3.88 wt. % Cg (BH16-04) and 25 m @ 3.24 wt. % Cg (BH16-02).
- Other drill holes provided intersections varying from 5 to 32 m with Cg concentrations ranging from 1.63 to 4.45 wt. % Cg (see table above).

Drilling of the principal 1,500m-long geophysical conductor provided significant Cg values throughout its entire length. Hole no. BH16-05 yielded the lowest assays due to the presence of a thick late-magmatic mafic sill devoid of graphite. The diamond drill holes encountered a variety of sedimentary rock types tectonized and metamorphosed during the Grenvillian orogeny, namely paragneiss and marble. Graphite is principally of the “flake type” and occurs in impure marble or intercalated carbonate-bearing garnet- and biotite±hornblende quartzofeldspathic gneisses in concentrations varying from 1 to 25%. Highest concentrations are usually found at the contact between marble and gneisses. Tremolite and diopside marble and skarn, quartzite, lamprophyre dykes, gabbro and amphibolite were observed as subordinate lithologies. Concurrently with the drilling program, limited prospecting and mapping led to the discovery of subcroppings of mineralized marble, notably in areas that are yet to be drilled.

These excellent results prompted the Company to implement the next step in the exploration of the Buckingham property. This will include a ground-based geophysics survey aiming to better define the known conductors and to find additional ones coupled with a more focused drilling program that should resume shortly after the hunting season.

All technical information for the Buckingham Graphite Project is obtained and reported under formal quality assurance and quality control (QA/QC) procedures and guidelines following the C.I.M. “Best Practices Guidelines” and National Instrument 43-101 standards of disclosure. The planning, execution and monitoring of Ashburton drilling programs on the Buckingham property were conducted under the supervision of Isabelle Robillard (MSc, geo) and Michel Boily (PhD, geo, Director of Ashburton) both qualified persons as defined by the National Instrument 43-101. Isabelle Robillard has supervised the drilling program including the splitting and sampling of the core material. Ashburton has implemented a QA/QC protocol for drilling, drill core sampling and assaying. The drill core (NQ size) was logged and then selected and sampled by I. Robillard, then cut in half with a core splitter at the project site. Half of the core is retained on site for reference purposes. Sample interval was chosen as one metre. The QA/QC protocol included the insertion and monitoring of appropriate reference materials, in this case high concentration (GGC-04) and low concentration (CDN-GR-1) certified graphite standards, blanks and duplicates, to validate the accuracy and precision of the assay results. Split core samples were directly transported in sealed bags from the drill site to the SGS Laboratory in Lakefield, Ontario for Cg assaying. Samples were weighed, dried, crushed to 75% passing 2 mm, split to 250g and pulverized to 85% passing 75 microns. C (graphitic) was analyzed after roasting, HCl leaching, combustion and IR (LECO).



Location of the DDH collared by Ashburton on the Buckingham property

On September 15, 2016, the Company announced that it had signed an agreement to increase its stake in the Buckingham project from an option to acquire 60% now up to 80%. To earn the additional percentage the Company has fulfilled the existing option terms to earn its 60% interest, will pay an additional \$5,000 cash (paid) plus incur an additional \$200,000 (incurred) in expenditures to Cavan Ventures Inc.

On November 6, 2015, the Company announced that it had received TSX Venture approval to proceed with its option agreement with Cavan Ventures Inc. to earn a 60% interest in the Cavan Buckingham Graphite Project. The Company planned to commence a 2,000 metre drilling program at Buckingham in the coming weeks for the following consideration:

- i) Share issuances
 - a) 150,000 on or before closing (issued with a value of \$22,500).
 - b) 150,000 on or before October 8, 2016 (issued with a value of \$52,500).
- ii) Cash payment
 - a) \$25,000 on or before October 8, 2016 (paid).
- iii) Exploration expenditures
 - a) incur \$200,000 in exploration on or before October 8, 2016 (incurred).
 - b) incur cumulative exploration expenditures of \$400,000 on or before October 8, 2017.

The Buckingham Graphite Property consists of 28 claims in Ranges VIII and IX, Buckingham Township, Quebec which cover an area of 1,683 hectares. Exploration on the southern part of the claim group has yielded

assay results as high as 21.6% Cg (graphitic carbon) over 14.5 metres from channel samples and purity results up to 96.1% Ct (total carbon) from large flake fractions.

On November 18, 2015, the Company announced that it has mobilized a crew to commence the first phase of drilling at the Buckingham Graphite Project located in Buckingham Township, Quebec. The drilling program will consist of up to 2,000 metres (20 to 40 drill holes) of diamond drill core and will be aimed at testing high priority targets in the southern area of the claims.

On December 1, 2015, the Company announced that, at the request of IIROC, the Company wishes to clarify the following disclosure: The Company announced that it had completed the first hole in its first-ever drilling campaign at the Buckingham Graphite Project and has identified several broad intervals of flake graphite mineralization from visual analysis.

The Ashburton geological team reports that visual analysis completed of drill core from BH15-01, which targets a large anomaly identified by an airborne time-domain electromagnetic survey (TDEM) (completed by Cavan in mid-2013), has revealed a total of approximately 80 metres of flake graphite mineralization over three major intervals.

The hole collared into disseminated flake graphite mineralization from 3 meters to 14 meters and encountered further graphite mineralization from 70 meters to 100 meters. A third interval of disseminated flake graphite begins at 170 meters and continues until 204 meters. The hole then terminated at 209 meters in a unit of pegmatite containing scattered centimetre-scale graphitic veins, for an additional 5 metres containing “vein-type” mineralization.

These graphitic zones are believed to be the continuation of graphite mineralization exposed in trenches previously completed by Cavan Ventures in 2013, which uncovered graphite mineralization at surface directly above the current drill hole trace. Mineralization in BH15-01 occurs primarily within several discrete - and particularly distinct - metaconglomerate layers within a larger quartz-feldspar paragneiss-dominated metamorphic unit. Lesser intervals of pegmatite observed within this sequence exhibit vein-type graphite in centimetre-scale veins.

Initial core samples are immediately being sent to the lab for analysis. The system is open on all directions and appears to be trending northeast along a distinct trend identified from the airborne TDEM survey and previous trenching. The company wishes to advise readers that this is a preliminary visual analysis only and no assay results have yet been received.

The drill rig is now turning at the next location which targets Trench 22C, which previously yielded channel sample results up to 21.6% Cg over 14.5 metres (Cavan Ventures release, July 17, 2014).

President and CEO Michael England states: “This visual evidence from the first hole at Buckingham is highly encouraging. We now move on to our second drill hole location and feel we are well-positioned for an exciting finish to the year and a strong start to 2016.”

The Buckingham Graphite Property consists of 28 claims in Ranges VIII and IX, Buckingham Township, Quebec which cover an area of 1,683 hectares. Exploration on the southern part of the claim group has yielded assay results as high as 21.6% Cg (graphitic carbon) over 14.5 metres from channel samples and purity results up to 96.1% Ct (total carbon) from large flake fractions (see Cavan releases, July 17, 2014 & May 28, 2015).

On December 22, 2015, the Company announced its latest outcrop sampling assay results and the discovery of a new lump-vein graphite-bearing zone at its Buckingham Graphite Project in Southern Quebec.

A total of 18 outcrop samples were taken from two areas: (1) a newly-discovered lump-vein bearing graphitic zone located approximately 300 metres northeast along strike from the current drilling area and; (2) in and around the zone of current drilling.

New Lump-Vein Bearing Graphitic Zone Sampling

Nine outcrop samples were taken from the newly discovered location 300 metres north of the current drilling area and consist of a mixture of disseminated and lump-vein samples. Graphitic showings were sampled over approximately 80 metres in this area, including an exposure consisting of fractured pegmatite measuring at least 30 metres across and containing crystalline lump-vein graphite in fractures. Lump vein samples from this area assayed up to 68.0% Cg and sampling highlights from this area are shown in Table 1.

Drilling Area Sampling

9 outcrop samples were taken in and around the area of current drilling and consist entirely of disseminated graphite. The positive assay results in this area provide further evidence of continuity of mineralization between drilling locations and projection of mineralization identified in drill intervals towards the surface. Highlights from sampling in this area are shown in Table 2.

Readers may refer to the maps available on the Ashburton website for sample locations and drilling:
<http://www.ashburtonventures.com/?page=project&id=1003>

Table 1. Lump-Vein Bearing Graphitic Zone Sampling Highlights:

Sample ID	Mineralization Type	Northing	Easting	Cg %
36566	Disseminated	5055065	460612	14.3
36568	Disseminated	5055041	460605	12.2
36569	Lump vein	5055017	460603	36.0
36570	Lump vein	5055014	460602	68.0
36571	Lump vein + wall rock	5054988	460597	8.82

Table 2. Drilling Area Outcrop Sampling Highlights:

Sample ID	Mineralization Type	Northing	Easting	Cg %
01501	Disseminated	5054897	460586	13.3
01502	Disseminated	5054641	460483	17.1
01505	Disseminated	5054516	460474	20.1
01506	Disseminated	5054528	460461	21.7
01507	Disseminated	5054533	460463	28.6
01508	Disseminated	5054540	460541	18.5
01509	Disseminated	5054554	460446	22.6
01510	Disseminated	5054556	460454	26.4

Samples were treated at SGS Lakefield, Ontario, using method number GE/GO/GC_CS and code A05V. Graphitic carbon was determined by multistage furnace treatment and infrared detection on LECO instrumentation.

The technical contents of the December 22, 2015 release were approved by Mr. Case Lewis, P.Geo., Director of the Company and a Qualified Person as defined by National Instrument 43-101.

On January 11, 2016, the Company announced that it had completed the first phase of drilling at its Buckingham Graphite Project in southern Quebec which consisted of five (5) holes totaling approximately 1,033 metres.

The five completed drill holes were aimed at testing targets generated by a combination of electromagnetic anomalies revealed by a TDEM (time-domain electromagnetic) survey and high-grade graphitic showings identified in trenches, which returned grades as high as 21.6% Cg (graphitic carbon) over 14.5 metres in channel samples (see Cavan Ventures Inc. release, July 17, 2014).

Holes BH15-04 and BH15-05, which were completed in late December, exhibit similar visual graphite mineralization as observed in the first three completed holes (BH15-01, -02, and -03).

Purity tests on the property have yielded values as high as 96.1% Ct (total carbon) from large flake fractions (see Cavan Ventures Inc. release May 28, 2015).

On January 26, 2016, the Company announced assay results from the first hole, BH15-01, from its recent drilling program at its Buckingham Graphite Project in southern Quebec.

Hole BH15-01, which targeted a broad, 1,500-metre long, northeast-trending geophysical anomaly encountered a total of 76.1 metres of disseminated graphite mineralization, hosted primarily within marble units, and reached a total depth of 209 metres. Hole information and assay results are summarized in Tables 1 & 2 and the Drilling Summary section below.

Table 1. Drill Hole Location Data

Hole ID	Easting	Northing	Azimuth	Dip	Total Depth (m)
BH15-01	460539	5054590	310	-50.0	209.0

Coordinate system: NAD83 UTM Zone 18N

Table 2. Summary of Significant Assay Data

Hole ID	From (m)	To (m)	Interval Length (m)	Graphitic Carbon (Cg) %
BH15-01	3.7	15.0	11.3	1.81
BH15-01	70.0	106.0	36.0	2.51
including	73.0	85.7	12.7	4.16
BH15-01	175.0	203.8	28.8	8.36
including	185.0	193.0	8.0	17.7

Drilling Summary: BH15-01

Lithologies encountered in BH15-01 consist dominantly of intercalated quartzofeldspathic paragneiss and generally graphite-bearing coarse-textured marble units. Minor pegmatite intrusions were encountered, notably in the lowermost 5 metres of the hole.

Graphite mineralization within BH15-01 is hosted dominantly within coarse, pebbly-textured marble units and occurs as disseminated, millimetre-scale flakes. The hole also encountered a small amount of vein-hosted graphite within a narrow pegmatite interval at the bottom of the hole, indicating the presence of vein graphite in the area. Note that in December 2015, a 30-metre wide outcrop with lump-vein graphite hosted in fractures

assaying up to 68.0% Cg was discovered approximately 300 metres north of the drilling area (see ABR release, December 22, 2015).

Based on structural measurements taken from the drill core and from trenches directly above the drill hole, it is inferred that the foliation (and therefore, the mineralized layers) displays a general northeast strike and a roughly sub-vertical dip. This correlates very closely with the anomalous trend identified by the TDEM (time-domain electromagnetic) survey conducted on the property, which trends roughly northeast (~035°).

The structural picture of the mineralized zone will be expanded upon further as the Company analyzes the logging data in conjunction with assay results from the remaining four holes. The Company will release updates on this development in upcoming releases.

Cross sections and maps will be available on the Ashburton website. See link below for details: <http://www.ashburtonventures.com/?page=project&id=1003>

Samples were treated at SGS Lakefield, Ontario, using method number GE/GO/GC_CS and code A05V. Graphitic carbon was determined by multistage furnace treatment and infrared detection on LECO instrumentation. Duplicates, standards and blanks were inserted at regular intervals for QA/QC purposes.

The technical contents of this release were approved by Mr. Case Lewis, P.Geo., director of Ashburton and a qualified person as defined by National Instrument 43-101.

On February 11, 2016, the Company announced new assay results from BH15-03, the best hole to date of its ongoing drilling program on the Company's Buckingham Graphite Project located in southern Quebec.

Drilling and Assay Results: BH15-03

Hole BH15-03 encountered 139.0 metres of disseminated graphite mineralization, hosted primarily within marble units, and reached a total depth of 224 metres terminating in mineralization. The hole was collared approximately 110 metres southwest of BH15-01, along strike of a broad, 1,500-metre long, northeasttrending geophysical anomaly. Hole information and assay results are summarized in Tables 1 & 2 and the Drilling Summary section below.

Table 1. Drill Hole Location Data

Hole ID	Easting	Northing	Azimuth	Dip	Total Depth (m)
BH15-03	460503	5054494	310	-50.0	224.0

Coordinate system: NAD83 UTM Zone 18N

Table 2. Summary of Significant Assay Data

Hole ID	From (m)	To (m)	Interval Length (m)	Graphitic Carbon (Cg) %
BH15-03	30.0	54.0	24.0	3.05
including	46.0	52.0	6.0	6.63
BH15-03	95.0	98.0	3.0	5.41
BH15-03	112.0	224.0	112.0	4.07
including	166.0	173.0	7.0	11.2
including	198.0	203.0	5.0	8.45

Geological Summary: BH15-03

Lithologies encountered in BH15-03 consist of generally graphite-bearing, coarse-textured marble units intercalated with lesser quartzofeldspathic paragneiss. Minor pegmatite intrusions were encountered.

Similar to previous holes, graphite mineralization within BH15-03 is hosted dominantly by coarse, pebbly-textured marble units and occurs as disseminated, millimetre-scale flakes.

Structural measurements from BH15-03 were similar to those from BH15-01. Data provided by the drill core and from trenches situated directly above the drill hole suggest that the foliation (and therefore, the mineralized layers) strikes generally northeast and presents a roughly sub-vertical dip. This correlates closely with the anomalous northeast-oriented geophysical trend (~035°) identified by the TDEM (time domain electromagnetic) survey conducted on the property.

These drill intervals represent apparent thicknesses. True widths will be determined after analysis of drill data is completed.

On June 23, 2016, the Company announced new assay results from holes BH15-02, BH15-04 and BH15-05 of its ongoing drilling program on the Company's Buckingham Graphite Project located in southern Quebec.

Drilling and Assay Results: BH15-02, 03 and 05

Hole BH15-02 was targeting the extension at depth of a graphite mineralized trench yielding an average value of 18.16 wt. % Cg. The trench lies on a 1,500 m-long, NE-trending TDEM (Time Domain ElectroMagnetic) geophysical anomaly. The drill core revealed silicified and sulphide-bearing quartz-biotite paragneiss with rare marble and occasional pegmatite intrusions.

Hole BH15-04, reaching a depth of 200 m, intersected 16 m of disseminated, millimeter-scale flakes of graphite mineralization, hosted primarily within marble units. The hole was collared on the same site as hole BH15-03 (310°/-50°), plunged at -70° and is situated approximately 110 m southwest of BH15-01 along strike the TDEM geophysical anomaly. Hole BH15-05 was collared farther to the NE approximately 280 m from the position of hole BH15-04.

BH15-05 intersected disseminated graphite mineralization for nearly 129 m within alternating sequences of marble and quartz-biotite paragneiss accompanied by sporadic quartz veins and pegmatite dykes. Structural measurements from the drill core and the trenches situated directly above the drill holes location suggest the foliation and therefore the mineralized layers, strikes generally NE with a sub-vertical dip. The DDH coordinates and assay results are presented in Table 1 below. The assay results from the last three drill holes corroborate those obtained from two previous holes (DDH15-01 and 03) which yielded Cg values of: 36 m @ 2.51 wt.% and 29 m @ 8.36 wt. % (DDH15-01) and 24 m @ 3.05 wt. % and 112 m @ 4.07 wt. % (BH15-03) (ABR Press Releases of January 26 and February 11, 2016).

Table 1. Best graphite assay results and coordinates for DDH BH15-02, 04 and 05

DDH no.	Easting*	Northing	Azimuth (°)	Plunge (°)	Depth (m)	From (m)	To (m)	Interval (m) ^{&}	Cg (wt. %)
DDH15-02	460575	5054700			200	113.0	116.1	3.1	3.36
						162.0	174.0	12.0	2.07
						187.7	200.0	12.3	2.86
DDH15-04	460503	5054494	310	70	200	51.0	67.0	16.0	11.09
DDH15-05	460618	5054751			200	68.0	81.0	13.0	2.43
						109.0	197.0	88.0	3.29
					<i>Incl.</i>	129.0	162.0	33.0	4.94

*NAD83 UTM Zone 18N

& Apparent thickness

Samples were treated at SGS Lakefield, Ontario, using method number GE/GO/GC_CS and code A05V. Graphitic carbon was determined by multistage furnace treatment and infrared detection on LECO instrumentation. Duplicates, standards and blanks were inserted at regular intervals for QA/QC purposes.

On July 13, 2016, the Company announced that all drilling and access permits and approvals had been received and the company was mobilizing a crew to commence a second phase drill program on its Buckingham Graphite property located in Southwestern Quebec. The program expands on previous drilling completed in late 2015. The initial drilling program will consist of up to 1,000 metres of core drilling and will be aimed at further testing the 1.1 km long, northeast-oriented geophysical conductor, located on the southern part of the property.

On September 1, 2016, the Company announced that it had completed 6 diamond drill holes (1200 m) on its Buckingham Graphite Property located in southwestern Quebec. The first five holes tested the northeastern extension of the 1.1 km long, geophysical conductor of which the southwest portion was investigated during the drilling program implemented in December 2015. An additional hole targeted a parallel, 300 m-long conductor, located 300 m to the west of the main conductor. Graphite bearing formations were intersected in each hole.

Graphite was generally found in in impure marble-rich layers intercalated among garnet- and biotitequartzofeldspathic gneisses. Encouraged by the success of the ongoing second phase drill program, two additional holes are in the process of being drilled, bringing the total number of holes to eight with a cumulative of 1,600 m of core. The drilling program will be completed by September 16th, 2016.

On April 18, 2017, the Company announced final assays from the drilling programs carried out in the summer and fall of 2016. Four holes (BH16-11 to BH16-14) totalling 811 m further tested the two linear NNE and ENE conductive zones. A total of 211 samples were analyzed for Cg and included the QA/QC samples as well as a remaining portion of BH16-10. Best intersections included 10 m @ 3.98 wt. % Cg in hole BH16-10 and 11 m @ 3.54 wt. % Cg in hole BH16-14. The DDH coordinates and assay results are presented in Table 1 and can be viewed through the map provided below.

Table 1. Best graphite assays results for DDH BH16-10 to BH16-14.

Hole ID	Easting	Northing *	Azimuth (°)	Plunge (°)	Depth (m)	From (m)	To (m)	Length** (m)	Cg (wt %)
BH16-10	460554	5054650	315	45	199.0	48	87	39	2.66
<i>including</i>						80	87	7	4.62
						104	114	10	3.98
BH16-11	460821	5054934	318	45	223.4	209	214	5	1.58
BH16-12	460284	5054968	138	45	181.9	4.50	11.00	6.50	3.55
BH16-13	460434	5055097	105	45	217.9	196	204	8	1.67
BH16-14	460850	5055196	15	45	188.2	111	122	11	3.54

* UTM coord: NAD83, Zone 18N

** Apparent thickness

Split core samples were transported to the SGS Laboratory in Lakefield, Ontario for Cg assaying. Samples were weighed, dried, crushed to 75% passing 2 mm, split to 250 g and pulverized to 85% passing 75 microns. C (graphitic) was analysed after roasting, HCl leaching combustion and IR (LECO). Duplicates, standards and blanks were inserted at regular intervals for QA/QC purposes.

The Company is now filing an NI43-101 compliant report on SEDAR, as well as on the Company's website at: <http://www.ashburtonventures.com/abr-tech-report.pdf>.

Highlights of the Buckingham Graphite Project's NI43-101 Report are summarized below:

- To date, nineteen (19) holes were drilled in late 2015-2016, totalling 4,782 meters and 1,695 core samples. The majority of the drill holes had spacings of 100 meters distributed along about half length of the 1.5 km linear NNE conductor with nearly all returning mineralization hosted in marble;
- These mineralized intercepts were mainly found in marble and ranged from 1.4% Cg over 5 m (BH16-05) to 4.07% Cg over 112 m (BH15-03). Long intercepts contained some higher grade intersections including 11.20% Cg over 7 m (BH15-03) and 17.90 % Cg over 7 m (BH16-03);
- Within the 43-101 is a preliminary sketch for a possible geometry of the mineralization consisted of two mineralized marble planes MBR-1 and MBR-2 and a smaller garnet gneiss mineralized plane;
- Next steps should extend the exploration on the NNE conductor over the next hundreds of meters to the NE, followed by metallurgical testing. As detailed in the technical report, a definition drilling program is recommended to provide a first estimate of the mineral resources.

Thompson Bros. Lithium Property, Manitoba

On April 21, 2016, the Company entered into a property option agreement for the Thompson Bros Lithium Property. In return for 100% interest in the property, the Company must make the following cash payments and shares issuances to the optionor:

- A cash payment of \$25,000 (paid) and issue to the optionor 50,000 shares of the Company (issued at a value of \$25,000).
- Cash payment of \$50,000 (paid) and 500,000 shares of the Company (issued at a value of \$117,500) on or before April 21, 2017.
- Cash payment of \$100,000 and 500,000 (issued shares of the Company on or before April 21, 2018).

- iv) Cash payment of \$100,000 and 500,000 shares of the Company on or before April 21, 2019.
- v) Cash payment of \$100,000 and 500,000 shares of the Company on or before April 21, 2019.
- vi) Cash payment of \$125,000 and 500,000 shares of the Company on or before April 21, 2019.

The Company must also incur \$1,500,000 of expenditures relating to the property on or before the 60-month anniversary of the effective date.

The property is subject to a 2% net smelter return (“NSR”) royalty, of which 1% may be repurchased by the Company, by making a cash payment of \$1,000,000.

On April 25, 2016, the Company entered into a binding heads of agreement with Manitoba Minerals Pty Ltd (“MMPL”), a company incorporated under the laws of the Commonwealth of Australia, whereby MMPL has the right to back-in to an 80% ownership of the Thompson Bros Lithium property by satisfying the following terms:

- i) Funding all of the Company’s cash obligations relating to the April 21, 2016 option agreement up to \$500,000.
- ii) Fund the work program expenditures required in the April 21, 2016 option agreement for a minimum of \$1,500,000 over 60 months.
- iii) MMPL will acquire 300,000 common shares of the Company for \$150,000 (issued and received) and use such shares to meet the share obligation relating to the April 21, 2016 option agreement.

Subsequent to earning the 80%, but prior to completion of a Pre-Feasibility Study, MMPL has the right to acquire a further 15% interest holding in the Thompson Bros Lithium Property from the Company for \$1,000,000. On April 12, 2017, the Company amended the option agreement to eliminate this option to acquire additional interest.

The Thompson Bros. Lithium Property is located in Wekusko Lake, 20km east of the mining community of Snow Lake, Manitoba. The main highway to Thompson and Flin Flon, plus the railway to the Winnipeg and the seaport of Churchill passes 40 km south of the property. The property consists of 18 contiguous claims covering 1829 hectares. Manitoba is one of the top-rated mining jurisdictions in the world and electricity costs are amongst the lowest in North America.

On April 11, 2017, the Company announced that it had entered into an amending agreement with respect to the previously-announced option financing agreement with Manitoba Minerals Pty Ltd. (“MMPL”) whereby the Company will retain a 20% interest in the Thompson Bros. Lithium Property located in Wekusko Lake, Manitoba.

In May 2016, the Company had acquired an option over the Thompson Bros. Lithium Property and had simultaneously signed an option financing agreement with MMPL, pursuant to which MMPL would finance all payments and obligations relating to the option (see the Company's previous news release dated May 2, 2016). In consideration, the Company had previously granted MMPL with options to acquire up to a 95% interest in the property.

Pursuant to the new amending agreement, MMPL will still finance all cash payments and expenditures with respect to the Thomson Bros. Lithium Property option, but the Company will be responsible for share payments owing to the underlying owner. Under the underlying option agreement, the Company will issue 2,250,000 common shares to the underlying owner, in annual installments of 500,000 shares, ending in April 2021. As a result, the options granted to MMPL have been reduced, such that the Company will retain a 20% interest in the property. The amending agreement is subject to the Company receiving prior approval from the TSX Venture Exchange.

On May 1, 2017, the Company announced the first six diamond drill holes have now been completed at the Thompson Bros Lithium Project in Manitoba. Four of the holes have encountered significant intervals of spodumene (lithium-bearing mineral) mineralization at downhole widths varying from 1 to 22 m and averaging 10 m (Figure 1). The intersections represent downhole widths, with the true widths not yet determined. Table 1 displays the correlation between the historical drill holes and first six holes drilled by Quantum Resources that are considered the closest approximation to “twin holes” (Figure 2). Despite differences in azimuths and dips, the table data implies apparent spodumene-rich intersection widths and depths of the same magnitude. Assay results for the first six holes are pending. The project is financed by Quantum Resources Limited (“Quantum”) (ASX: “QUR”) who has the right to earn in up to 80% of the project.

Drill targets were selected using historic drill hole information. Quantum prepared a sequence of drill holes along a series of section lines to intersect the pegmatite at varying depths along the strike length (Figure 2). Drill holes will step out 100 metres apart along section lines spaced 100 metres apart running northwest-southeast.

Rapidly warming conditions have led to an earlier than expected winter thaw and the Company has made the decision to suspend the current program. It is anticipated that drilling will recommence at the end of May. Quantum will be able to continue drilling the prospect in a cost-effective manner in the summer months without the use of continued helicopter support. The target area is more accessible in the summer months due to its location near the shore of Wekusko Lake. In addition, Quantum is initiating plans for a work program to test for additional pegmatite dykes with a focus on the Thompson #5 and Sherritt-Gordon Zones which could lead to significantly larger overall tonnages.



Figure 1. Spodumene Mineralization in drill core of hole TBL-001 at Thompson Bros Lithium Project.

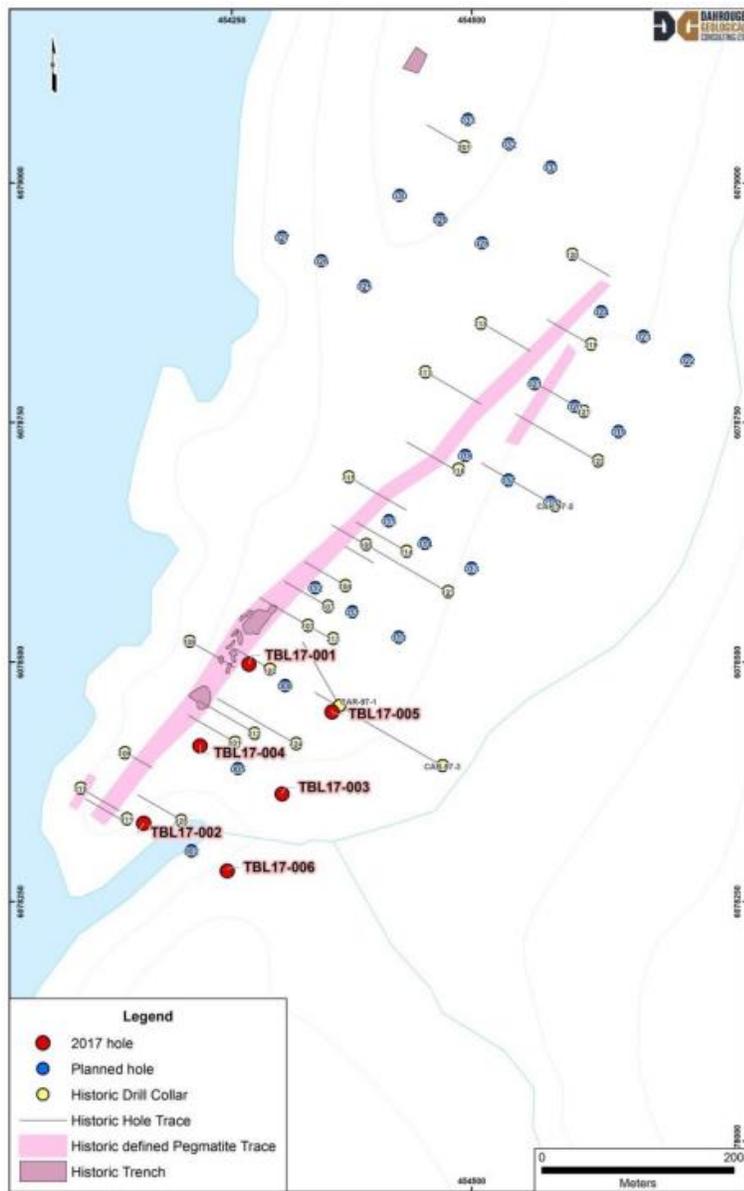


Figure 2. Current Drill Program with completed and scheduled holes at Thompson Bros.

Quantum Resources 2017						1956-1997						
DDH #	Azimuth (°)	Dip (°)	From (m)	To (m)	Length (m)	DDH #	Azimuth (°)	Dip (°)	From (m)	To (m)	Length (m)	Li ₂ O (wt. %)*
TBL-17-01	300	-45	35	47	12	102	260	-45	52.4	59.4	7.0	0.76
TBL-17-02	300	-45	8	9	1	111	270	-45	20.9	24.5	3.6	0.33
			19	25	6				55.5	57.3	1.8	
TBL-17-03	300	-45	160	182	22	124	270	-63	163.5	185.6	22.1	1.49
			210	213	3							
TBL-17-04	300	-45	33	54	21	101	260	-45	58.2	69.3	11.1	1.01
TBL-17-05	300	-45	140	146	6	CAR-97-1	330	-70	161.0	191.0	30.0	1.24
TBL-17-06	300	-45	No spodumene-rich pegmatite dyke intersected									

Table 1. Comparison between the six Quantum Resources ‘twin holes’ related to the historical drill holes collared between 1956 to 1997. * Historical assays, non-NI43-101 compliant.

The Thompson Bros. Lithium Property is located in Wekusko Lake, 20km east of the mining community of Snow Lake, Manitoba. The lithium deposit is defined by a vertically-dipping spodumene-rich pegmatite extending 800 meters along strike.

On August 23, 2017, the Company is pleased to provide the following positive drill results from the Thompson Bros Lithium Project (“the Project”) in Manitoba, Canada located approximately 5 km from Far Resources (FAT-TSX:V) “Zoro” project, where 2017 drilling yielded comparable figures. Assays have been received for two out of six drill holes.

Highlights:

- Hole TBL001: from 35.4 to 47 metres (11.6 metre interval) of 1.37 wt. % Li₂O
- Hole TBL002 from 19 to 24.4 metres (5.43 metre interval) of 1.55 wt. % Li₂O
- Early results support the historical data

Six drill holes were completed at the Thompson Bros Lithium Project in Manitoba of which five encountered significant intervals of spodumene (lithium-bearing mineral) mineralization at downhole widths that are comparable or exceed those encountered from historical drill programs.

Hole One TBL17-001: 35.4 – 47 metres(11.6 metre interval returned a weighted average assay of 1.37% Li₂O), is located near historic hole 102 (the hole ended in pegmatite due to unstable conditions), which intersected further pegmatite from 52.4 to 59.4 metres (7.0 metre interval).

Hole Two TBL17-002: 8.5 – 9.34 metres and 19 – 24.4 metres (two intervals, 0.84 metres and 5.43 metres returned weighted average assays of 0.53 wt. % and 1.55 wt. % Li₂O respectively), is located near historic hole 111 which also encountered two intervals: 20.9 to 24.5 metre (3.6 m interval) and 55.5 to 57.3 metre (1.8 metre interval).

Z-1 Zeolite Property, British Columbia

On January 30, 2017, the Company announced the signing of an option agreement to acquire a 100% interest in the Z-1 Zeolite Quarry/Mine located about 3 kms northeast of Cache Creek, BC. From ZMM® Canada Minerals Corp. (“ZMM”), an arm’s length vendor. All mining and environmental permits are in place. To maintain the option in good standing, the Company must make the following cash payments and shares issuances:

- i) cash payment of \$10,000 (paid) and a further \$10,000 within 30 days;
- ii) 2,000,000 common shares (issued at a value of \$430,000);
- iii) 2,000,000 common shares on or before that day which is 12 months from the closing date, and
- iv) incur \$500,000 of exploration expenditures within the first 12 months.

The zeolite industry has experienced continuous growth since its discovery in the western United States in the 1950s. The zeolite industry has sustained growth due to the extraordinary adaptability, flexibility and eco-friendly nature of the mineral, which can be applied in a wide range of industrial, consumer and environmental applications driven by product research and development. Newer market applications include agricultural and horticultural solutions including optimizing growth of organic marijuana, soil remediation, and high-tech clean-tech applications. These burgeoning market opportunities are incremental to the substantial core and growing Zeolite markets.

On February 9, 2017, the Company announced the signing of a Joint Operating Agreement (“JOA”) with ZMM® Canada Minerals Corp. to assist in the development, maintenance and operation of the recently acquired Z-1 Zeolite Quarry/Mine located approximately 3 kms northeast of Cache Creek, BC.

The JOA brings to the Company access to certain Intellectual Property (“IP”) held by ZMM in various stages of development derived over the 25+ years’ experience ZMM has in the zeolite industry. The arrangement also brings substantive industry knowledge, collaborative partners including universities and strong relationships with end customers.

Jointly the companies will continue working toward the development of new IP and expanding on increasingly higher value applications and sales to growing markets for zeolites. The zeolite at Z-1 has been demonstrated to have the particular physiochemical properties suitable for several new and innovative clean technology applications.

On March 15, 2017, the Company is primed for entry into the creation of Vacuum Insulated Panels (“VIP”) for the construction industry. The Company, in partnership with ZMM Canada Minerals Corp. in the Z-1 Clinoptilolite Zeolite Quarry, is pleased to participate in this innovative clean energy, clean technology initiative. Under the program, the Company’s Z-1 zeolite (see PR dated February 9, 2017) is the principal component in the manufacturing of VIPs. The first shipments of the Z-1 clinoptilolite zeolite have been ordered. A key role of the Z-1 zeolite is to enable lowering the cost of producing VIPs due to its unique, specialty properties.

Demand for energy-efficient buildings has increased drastically in recent years and this trend will continue in the future. Insulating building elements will play a key role in meeting this demand by reducing heat losses through the building envelope. Due to their high R-value, Vacuum Insulation Panels (VIPs) will be a more energy efficient alternative to conventional building insulation materials. The thermal insulating capacity of VIPs is five to ten times higher than traditional fibrous or foam insulation which is why efforts to develop VIPs with characteristics suitable for applications to new and existing buildings are underway.

The research and development program has begun and is being conducted by the University of Victoria under the supervision of Dr. Phalguni Mukhopadhyaya. Utilizing the natural clinoptilolite zeolite represents a unique

opportunity to create new, high performance, thermal insulation that will provide significant benefits to the environment by reducing energy costs by up to 40%.

The Company gratefully acknowledges the financial support of the Province of British Columbia through the Ministry of Energy and Mine's Innovative Clean Energy (ICE) Fund of \$50,000. \$50,000 is being contributed by the Natural Sciences and Engineering Research Council of Canada (NSERC) as a Collaborative Research and Development grant and \$45,000 is being provided by the Company and ZMM to support this exciting new, breakthrough technology.

On April 3, 2017, the Company announced the appointment of Matthew Harvey, Founder and CEO of BC Bud Depot ("BCBD") to the Advisory Board for Research and Development of Ashburton's Zeolite, under development with ZMM Canada Minerals Corp., as an additive and growth medium for medical and recreational marijuana.

Mr. Harvey has been a strain breeder in the cannabis industry since the 1990's with worldwide exposure since 2004. During Mr. Harvey's tenure at BCBD, a cannabis seed producer and creator of award-winning THC and CBD strains, BCBD has received over 23 Cannabis Cup awards, including nine international First Place awards. BCBD was in 2009 inducted to the Seed Bank Hall of Fame. Mr. Harvey has steered BCBD towards a developmental approach to cannabinoid-focused genetics utilizing laboratory analysis and scientific protocols to augment breeding programs with a focus on proprietary CBD strains.

A three-phase program will test the benefits of growing cannabis in zeolite-enriched soils. Phase one will determine how well the properties of Zeolite reduce and control the bacterial, fungal and insect conditions affecting cannabis. Zeolite's microporous surface works by disassembling threats at a molecular level.

The second phase will test the capacity of zeolite's water-retention for recreational growers seeking to maximize success. Zeolite retains and releases, upon plant demand, up to 55% of its weight in water. The third phase of the program will determine zeolite's capacity to increase end yields of marijuana.

On April 11, 2017, the Company announced that zeolite had been shipped to BC Bud Depot (BCBD) Strain Development and Test Facility 1 Gulf Islands. Zeolite field trials are to commence according to ongoing crop rotations in the 1,900-plant greenhouse facility, which features advanced light deprivation and supplementation systems to allow year-round cannabis cultivation.

Phase One is intended to determine if the filtration and aeration capacity of zeolite has potential to reduce soil-borne pests and illnesses by reducing non-beneficial bacteria, fungal spores and other microbes, insects and chemicals present in the growth medium. Testing will also monitor chemical composition and microbe biology of root zone growth media and liquid runoff. Comparative data will enumerate differences between zeolite-fortified groups and control groups consisting of standard coco coir and peat-based potting mixtures. Testing is designed to measure the impacts of zeolite's filtration and retention capacity on the overall fertility and properties of cannabis growth media.

Microbial analysis adhering to verifiable scientific practices and internationally recognized methods at MB Labs Ltd facilities in Saanich BC will measure growth media and liquid runoff for the presence of algae and protozoa, fungi, yeasts and bacteria. Dynamic Ecosystems Crop Protection of Salt Spring Island will conduct entomological inventories to detect estimated population variances of soil-born insect pests between control and zeolite test groups.

MB Labs will also test growth media and liquid runoff samples for a range of fertility factors including Nitrogen PH, (TKN), Phosphorus (P), Potassium (K), Organic Matter, Major and Minor Elements including Boron, Cadmium, Cobalt, Copper, Iron, Magnesium, Manganese, Molybdenum, Zinc, Conductivity (Salinity) and Carbon/Nitrogen Ratio. Of interest is whether zeolite confers upon growth media an increased capacity to retain beneficial nutrients and to act as a buffer against leaching and soil acidification.

The cannabis-certified MB Labs laboratory will also analyze finished marijuana samples for total potency, terpenes, flavonoids and contaminants following the field study.

On April 27, 2017, the Company announced that zeolite shipments had arrived at the BC Bud Depot (BCBD) Strain Development and Test Facility. Phase One of zeolite testing will commence Thursday, April 27th, 2017. BCBD's Test Facility features 14,920 square feet of greenhouse space capable of housing 1,900 cannabis plants up to 2.5 metres height each.

Approximately 900 cloned cuttings of the cannabis strain CBD God will be transplanted into growth media divided between control groups and those enriched with zeolite and compatible nutrients. The facility's on-site plantation manager, biologist Albert Kasprovicz, M.Sc., will oversee testing.

Testing to commence will take ongoing measurements from three categories plus a control group. The three test categories (Zeolite-Enriched, Carbon-Enriched and Zeolite + CarbonEnriched) each subdivide into three groups according to increments of enrichment to the base potting mixture. The T-Carbon is from Ashburton's collaboration partners ZMM Canada Minerals Corp and is complimentary to zeolite in the root zone.

For the Zeolite-Enriched and Carbon-Enriched groups, researchers will distribute plant sets containing 5%, 10% and 15% enrichment throughout the greenhouse. The Zeolite + Carbon group containing a 1:1 blend of carbon and zeolite will be enriched at 10%, 15% and 20% and similarly distributed. The Control Group will contain only the base potting mixture which consists of 90% coconut husk (coco coir) and 10% worm castings.

Zeolite is from the Z-1 Zeolite Mine, a recent collaboration between Ashburton Ventures and ZMM Canada Minerals Corp, located about 3 km northeast of Cache Creek, BC. Key among zeolite's known advantages to plant growth include a high capacity to increase the bio-availability of essential plant nutrients, as well as filtering adverse components from the soil.

On May 16, 2017, the Company reported on a recent site visit held at the Z-1 Zeolite Mine near Cache Creek, BC. Company management, representatives of the construction aggregate industry plus a cannabis cultivation expert from BC Bud Depot were present. Z1 Mine Operations Manager and Zeolite Industry Expert LuVerne Hogg, of ZMM Canada Minerals Corp., fielded questions on the equipment and logistics required to fill orders for various zeolite specifications.

On May 30, 2017, the Company announced that scientific trials to test the effect of zeolite in cannabis cultivation had reached the flowering stage of marijuana production.

The Company is conducting the first known scientific trials of cannabis cultivated with zeolite and carbon. Clinoptilolite, the form of zeolite mined from the Company's Z1 Quarry near Cache Creek, BC, is a volcanic mineral known to benefit a range of agricultural crops. Studies show it to increase yields by 50% to 70%, while increasing vitamin content and decreasing nitrates in fruits and vegetables. Clinoptilolite and coal are shown to enhance the production of barley. The Ashburton study was inspired by anecdotal claims of similar increases to cannabis yields and quality.

Initial samples of cannabis plant tissue, growth media and liquid runoff will be delivered to MB Labs on Thursday, June 1. Laboratory analysis will focus on nutrient uptake to flowers and foliage, and microbial activity in the root zone. Testing will be repeated at two-week intervals until plants are ready to harvest. Weight measurements will then explore links between zeolite and final yields. A full chemical and cannabinoid profile of the finished product will test for improvements in marijuana quality.

The study tracks cannabis plants of two strains, CBD God and Meltdown, in sets of plants grown in coco coir mixed with straight zeolite, straight carbon and blended carbon and zeolite.

On June 8, 2017, the Company reported on a recent site visit at the BC Bud Depot Research and Development Facility on Salt Spring Island, BC, site of an ongoing scientific study of the effects zeolite and carbon on cannabis yields and quality.

The Company's directors met with facility owners and management to view progress of cannabis trials. The owner of the 1,900-plant facility requested, based on the healthy appearance of plants grown with zeolite, an ongoing supply of clinoptilolite zeolite from Ashburton's Z1 Zeolite Mine near Cache Creek, BC. However this request remains subject to the final results of the study.

Biologist and plantation manager Albert Kasproicz stated: "It's still early, but the plants amended with 15% zeolite appear to have growth rates significantly surpassing the greenhouse average."

The Company's Zeolite from the Z-1 Quarry in Cache Creek is believed to enhance plant health by increasing the bioavailability of nutrients and filtering contaminants from the soil. Plants with increased nutrient uptake and a reduced burden on their immune system focus more energy on growth and productivity.

On June 14, 2017, the Company received a progress report from LuVerne E.W. Hogg of ZMM Canada Minerals Corp., operator of the Joint Operating Committee on the development of the Z-1 Clinoptilolite Zeolite Quarry. The report reviews the research project title "Salinity Tolerance of Regional Native Plant Species and Soil Amendment Potential for Reclamation". The work is being conducted by the Boreal Research Institute of the Northern Alberta Institute of Technology (NAIT) with industry partners Apache Canada Ltd., ZMM Canada Minerals Corp. (ZMM), Alberta Economic Development and Trade and Natural Science and Engineering Research Council of Canada (NSERC).

The goal of the program is to develop and test novel approaches to enhance and improve existing technologies to meet the demands of reclaiming naturally saline soil in northern Alberta. Ashburton Ventures Inc. and ZMM are providing Clinoptilolite Zeolite from the Z1 Quarry at Cache Creek, BC. and F-Chabazite Zeolite from the TransCanada Zeolite, east of Kamloops, BC. Both occurrences are under development by Ashburton and ZMM. Additionally, ZMM is providing ZMM T-Carbon. These materials will provide an important and valuable alternative to extensive dig-and-dump activities during remediation of salt-contained spill sites. Positive results on the use of Zeolites and T-Carbons in saline soils will open significant market opportunities for these Zeolite and T-Carbon products with oil and gas companies.

Combining new and existing reclamation practices and technologies established from this project will assist in creating best practices for cross-industry and cross-sector adoption. The work here will reflect positively and enhance Alberta's energy-driven economy. By restoring the services and goods provided by boreal forest ecosystems, industry and SMEs promote responsible management and environmental stewardship for the long-term benefit of all Albertans.

Forest land reclamation is an important business and employment generator in northern Alberta. There is a backlog of over 15,000 well sites requiring reclamation on the crown land of north western Alberta alone. The Alberta Energy regulator currently certifies, on average, only 780 well sites in the boreal region annually worth an estimated reclamation investment of \$39 million.

On June 27, 2017, the Company announced the release of data obtained from laboratory analysis at MB Labs in Sidney, BC, of the microbiology of liquid runoff captured from cannabis plants involved in a study of zeolite and carbon in marijuana cultivation.

The data indicated significantly lower concentrations of bacteria, fungi and yeast found in liquid runoff from plants enriched with zeolite and a zeolite-carbon blend, as compared to control samples. The clinoptilolite zeolite used in the study is from the Z1 Mine near Cache Creek, BC, operated jointly by Ashburton Ventures and ZMM Canada Minerals Corp. ZMM Canada supplied the carbon.

On July 5, 2017, the Company announced the release of a second set of laboratory data from MB Labs in Sidney, BC. The chemical analysis lists levels of sixteen major and minor plant nutrients detected in liquid runoff captured from cannabis plants involved in a study of zeolite and carbon in marijuana cultivation.

Clinoptilolite zeolite used in the study is from the Z-1 Mine near Cache Creek, BC, jointly operated by Ashburton Ventures and ZMM Canada Minerals Corp.

Sample data indicates a high retention of key macronutrients in the root zone of cannabis plants potted with zeolite and zeolite-carbon blends. Control group samples revealed higher nutrient leaching from plants potted in straight coconut fibre. Leached nutrients are drawn out of the root zone with liquid runoff when the potting medium is fully saturated during plant irrigation. Zeolite's capacity to combat leaching allows plants greater access to nutrients and prevents waste.

The laboratory data also revealed zeolite's high capacity to retain potassium, a third critical macronutrient known to cannabis growers as the "quality-enhancing nutrient." Potassium supports plant respiration, activates enzymes and protein synthesis, and facilitates nutrient transport between cells.

Control samples leached 438% and 261% more potassium than straight zeolite and zeolite-carbon blends, respectively.

On July 10, 2017, the Company announced that initial laboratory results from Ashburton's study of cannabis grown in zeolite and carbon have been published on the Ashburton Ventures website. A second round of samples is now in possession of MB Labs in Sidney, BC, for laboratory analysis to expand the data set from liquid runoff captured from cannabis plants involved in the study.

According to Albert Kasprowicz, biologist and site manager at the cannabis research facility on Salt Spring Island, BC, "Our data so far suggests that adding fifteen or twenty per cent of a zeolite-carbon blend to the potting mix has high potential benefits to cannabis, such as reducing the pathogen burden on plants and increasing availability of key nutrients. We decided to amplify the data with further samples so that our findings will carry more weight. We're extremely interested to see if our upcoming data set replicates and confirms our initial findings."

As the final set of liquid runoff samples are analyzed, the study team is collecting samples of substrate from the root zone, and samples of plant tissue from leaf material for submission to MB Labs this week.

Chief Operating Officer Tim Harvey oversees the study for Ashburton and noted: "A more complete picture of how zeolite affects plant health will emerge over coming weeks as we compare Phase One results, profiling liquid runoff, with Phase Two and Three data concerning the content of the potting mix, living plant tissue and ultimately the dried marijuana flowers. We will gain a picture of the nutrient pathways affecting different plant groups in our study, and then see how this affects the production of quality of marijuana."

Harvey continued, "Studies of zeolite's effects on other agricultural crops have found increased vegetable mass and higher vitamin content. Our study is the first to pair zeolite with cannabis, so we're going in blind as to what the results might be. However, if zeolite or a zeolite-carbon blend is shown to have a highly positive impact on marijuana growth, quality and yields, we anticipate strong demand for a propriety soil enhancer tailored to marijuana cultivation. We will then shift our focus from conducting science to satisfying that demand."

With plants scheduled for harvest in one week, the cannabis-zeolite study now enters a critical phase in both the greenhouse and laboratory. Results will be posted on the Ashburton website as they become available.

On July 13, 2017, the Company learned that fires moving through the Cache Creek region did not make contact with the Z1 Zeolite Mine. Crews and equipment are contracted to arrive on-site when air quality

improves and fires have been brought under control. Ashburton will update investors once operations commence or further information is available.

Contracted equipment includes an excavator, crusher, loader, screener and control power plant.

Crews will remove 15,000 cubic yards of overburden to improve access to zeolite reserves. They will open the current stockpile of crushed zeolite, estimated at nearly 9000 tons, to check internal humidity and spread the pile as necessary for rapid dehydration. Crushing will then reduce the 3/4 Minus zeolite to a 1/4 Minus particle size. 1/4 Minus zeolite has a maximum diameter of 1/4 inch but contains a range of particle sizes down to microscopic levels that can be isolated as fractions by screen sifting.

Preliminary screening on-site will fractionate the zeolite for storage in bulk bags containing approximately one ton per bag. Bulk bags will be stacked in a location protected from the elements, ready to be trucked direct to customers, warehouses or further refining at an off-site location.

LuVerne Hogg, CEO of ZMM Minerals Canada Corp and Operations Manager of the Z1 Quarry, stated “the point of this work project is to get us to where we can sell and deliver products at as low a cost as possible. Operations will be twelve hours a day, six days a week until all eight thousand plus tons are processed.”

On July 19, 2017, the Company announced that BC Bud Depot’s Research and Development facility on Salt Spring Island has placed an initial twenty-ton zeolite order based on the encouraging results of an ongoing study into the effects of Ashburton’s Z-1 Zeolite and ZMM T-Carbon on cannabis growth and productivity.

The study has entered its third and final phase with the current harvest of all 72 plants providing scientific data. Phase Two samples, of plant tissue and soil, are currently at MB Labs in Sidney, BC, a Health Canada certified cannabis analytics laboratory.

Phase One data revealed notable trends corresponding to the Z-1 zeolite and zeolite-carbon enrichment of the growth medium. Reduced pathogens in liquid runoff from amended soils suggests a cleaner root zone with fewer factors to inhibit cannabis productivity. Highlights include:

- Up to 85% less Staphylococcus bacteria;
- Up to 90% less of total Coliforms;
- UP to 48% less of Lactose Fermenters;
- Up to 62% less Yeast and Fungi.

The Company’s Z-1 Zeolite also prevented wasteful leaching of five critical nutrients to cannabis production – nitrogen, potassium, phosphorus, calcium and magnesium – allowing higher levels to remain available for plant uptake. Plants in straight coconut fibre lost up to 438% more nutrient during irrigation.

According to facility operator Edward Bielert: “We’re seeing healthier plants that are noticeably heavier as we hang them up to dry. It’s safe to say that zeolite makes some difference to yields, but we harvest in stages, top buds first, so we don’t have final weight numbers yet.”

Bielert added: “What we do already know, and what impacts us immensely, is the labour we will save by planting our whole farm with zeolite. We were surprised by how much water zeolite soaks up – plants potted with zeolite required irrigation only half as often. That is hundreds of man-hours saved in a crop cycle. Z-1 Zeolite will revolutionize operations here.”

Initially BC Bud Depot’s Research and Development facility have placed a twenty-ton Purchase Order of Z-1 clinoptilolite Zeolite. Processing this premium-grade zeolite will begin at the Z-1 Quarry imminently, as the Cache Creek evacuation order has been lifted.

On August 3, 2017, the Company announced that the evacuation order at the Z-1 Zeolite Quarry has been rescinded. Quarry operator ZMM Canada Minerals Corp. has recommenced mining processing activities at the Z-1 Zeolite Quarry.

On July 8, 2017, the property located three kilometers NE of Cache Creek, BC, was placed under an evacuation order due to the Elephant Hill fire. There was no fire on the property and no damage to any of the equipment, Quarry or stockpiled zeolite.

Crews will remove 15,000 cubic yards of overburden to improve site access. Prior work on the property involved extracting approximately 9000 tons of zeolite which was crushed and placed in a stockpile. Crews will open the stockpile to check for moisture content and spread the pile as necessary for rapid dehydration. Crushing will then reduce the 3/4 minus zeolite to a 1/4 minus particle size. 1/4 minus zeolite has a maximum diameter of 1/4 inch but contains a range of particle sizes down to fine fractions.

The zeolite will be loaded into one-ton bulk bags and stacked in a location protected from the elements, ready to be trucked directly to customers, to distribution hubs or for further processing and packaging at an off-site location.

LuVerne Hogg, Operations Manager of the Z-1 Quarry jointly operated by Ashburton and ZMM Minerals Canada Corp, stated “The point of this work is to get us to where we can sell and deliver products. Operations will be twelve hours a day, six days a week until the entire stockpile of zeolite is crushed and bagged. We estimate that this phase of operations will be completed by the end of August.”

On August 9, 2017, the Company announced that dried marijuana samples have arrived at MB Labs in Sidney, BC, a cannabis analytics laboratory certified by Health Canada. Analysis of the marijuana pertains to the third and final phase of Ashburton’s study which will measure chemical elements and medically-active compounds in the flowers of cannabis grown in zeolite and zeolite-carbon blends.

Phase Three is designed to indicate whether cannabis grown with zeolite from the Z1 Zeolite Quarry near Cache Creek, BC, produces a higher quality of cannabis than that grown in the absence of zeolite or zeolite-carbon blends. Lab results are expected by mid-August. In addition, total plant yields of dried cannabis will be weighed to determine whether zeolite and carbon can increase overall marijuana production.

Results from Phase Two of the study are still pending. A second Phase One data set from liquid runoff analysis has arrived from MB Labs and has been submitted to biologist and master grower Albert Kasprovicz for interpretation. News of these results is imminent.

Kasprovicz previously stated that these results could be a “game changer” for cannabis cultivation, should the second data set confirm the initial results that revealed trends of an unexpected magnitude. He noted a sharp reduction in fungal and bacterial pathogens coupled with a high retention of key nutrients in the root zone of plants potted with zeolite and zeolite-carbon blends. Kasprovicz suggested that these factors inevitably correlate to higher plant health and productivity.

MB Labs is currently conducting Phase Two chemical analysis of soil and leaf tissue. Results are scheduled for release in the coming weeks. A chemical profile of both soil and leaf tissue will reveal potential nutrient uptake trends. Of special interest is the effect of zeolite and carbon on the bioavailability of ionic elements to cannabis.

On August 16, 2017, the Company announced the analysis of the final weight of dried marijuana harvested from plants involved in a study of cannabis cultivated with zeolite from the Z-1 Zeolite Quarry near Cache Creek, BC.

Plants enriched with a zeolite-carbon blend produced up to 29% more dry cannabis (in a 0.9% to 29.4% range), with an average per-plant increase of 7.8% compared to control plants grown in straight coconut husk fibre

(coco coir). Plants enriched with straight zeolite produced up to 19% more dry cannabis (in a 2.3% to 19.0% range), with an average increase of 7.1% in total harvest yields compared to the control group average.

According to Albert Kasprovicz, BSc, “Each of the study’s eighteen test groups and two control groups produced a cluster of six data points within a range. The average value of each data cluster is the key information, because an operation’s total harvest is proportional to the average plant’s yield. We can now predict with confidence the effect of ten distinct soil recipes on total harvests, when applied on an operation-wide scale. Two of those recipes stand out from the rest.”

The study produced a scatter chart of data points measured in grams, representing per-plant marijuana yields in twenty groups of six plants each. The study was split between two strains, Meltdown and CBD God, grouped according to levels of enrichment with straight zeolite, straight carbon, or a zeolite-carbon blend mixed into a base soil of coco coir. To obtain data, whole plants were hung to dry for one week in a controlled-humidity environment before flowers were removed and weight measurements taken under Kasprovicz’ supervision.

Kasprovicz stated: “Straight zeolite and zeolite-carbon blends gave us the biggest gains, each with an average production increase of over 7% consistent across both strains. Our next phase of research will attempt to push this number higher by adjusting zeolite particle sizes. We believe a 10% production increase may be a realistic goal. Our pending order for 20 tons of Z-1 Zeolite has been adjusted to include a blend of fine particle sizes specific to our needs.”

Ashburton President David Gdanski stated, “Our study demonstrates a simpler route to the higher yields cultivators are after. In an industry where costs of production are high, typically exceeding 50% of the wholesale value of marijuana produced, a 7% or 10% increase in yields and revenue can equate to a 15% or 20% increase in net profit. We’re extremely pleased about what our study says about the potential return on investment for Z-1 Zeolite customers in the commercial marijuana sector.”

On August 29, 2017, the Company is pleased to announce the discovery of a positive correlation between Z-1 Zeolite and cannabinoid production in six out of six categories detected and measured in the Meltdown marijuana strain, as recorded in a recent analysis conducted by MB Labs, a Health Canada certified cannabis laboratory.

In the case of all cannabinoids detected, total potency increased as levels of Z-1 zeolite enrichment increased. Zeolite used in Ashburton’s study of cannabis grown with zeolite was sourced from the Z-1 Zeolite Quarry near Cache Creek, BC, jointly operated by Ashburton Ventures and ZMM Minerals Canada Corp.

Cannabinoid analysis was conducted using UV light detection with ultra-high pressure liquid chromatography. According to Analytics Chemist Rene Bilodeau, MB Labs applies “extremely sensitive technologies to obtain the most precise and accurate measurements possible.”

The Meltdown strain is known for relatively low THC levels, higher levels of non-psychoactive Cannabidiol (CBD), and a broad spectrum of minor medicinal cannabinoids. Liquid chromatography preserves cannabinoids in their precursor acid form, which when subjected to heat, converts to a non-acid cannabinoid at .877 of the original molecular weight (e.g. 1% THC-A = .877% THC).

Highlights of the liquid chromatography analysis include the following divergences in cannabinoid production between plants grown in Z-1 Zeolite-enriched substrate and those grown in the control substrate of unamended coconut husk fibre:

- a 2.1-fold increase in Delta 9 Tetrahydrocannabinol Acid (THC-A), from 2.99% THC-A in control marijuana, to 6.29% THC-A in marijuana grown with Z-1 Zeolite enrichment;
- a 2.07-fold increase in Cannabidiol-Acid (CBD-A), from 3.85% CBD-A in control marijuana, to 7.99% CBD-A in marijuana grown with Z-1 Zeolite enrichment;

- a 2.37-fold increase in Cannabichromene Acid (CBC-A), from .19% CBC-A in control marijuana, to .45% CBC-A in marijuana grown with Z-1 Zeolite enrichment;
- a 2.06-fold increase in Cannabigerol Acid (CBG-A), from .16% CBG-A in control marijuana, to .33% CBG-A in marijuana grown with Z-1 Zeolite enrichment;
- a 1.79-fold increase in Cannabidivarin Acid (CBDV-A), from .014% CBDV-A in control marijuana, to .025% CBDV-A in marijuana grown with Z-1 Zeolite enrichment, and
- a 2.26-fold increase in Tetrahydrocannabivarin Acid (THCV-A), from .015% THCV-A in control marijuana, to .035% THCV-A in marijuana grown with Z-1 Zeolite enrichment.

In the case of all detected cannabinoids, potency rose steadily as levels of zeolite enrichment increased through three increments.

In the case of zeolite blended with carbon (ZMM T-Carbon), potency for most cannabinoids peaked at medium levels of enrichment and then declined, revealing an approximate level of optimal enrichment. The data suggests that ZMM T-Carbon makes Z-1 Zeolite more efficient by allowing for near-peak cannabinoid production with a lower input of Z-1 Zeolite. With the exception of CBG, overall cannabinoid potency remained lower than levels reached with high applications of only Z-1 Zeolite.

On September 14, 2017, the Company announce that summer activities at the Z-1 Quarry near Cache Creek, BC, were completed with great success. Operations generated inventory including 7,100 tonnes stockpiled, screened to various particle sizes, and 685 one tonne bulk bags.

The company now has finished zeolite ready for use in large product-development initiatives in horticultural, agricultural and advanced-materials programs. These include supplying the University of Victoria Engineering Department’s Vacuum Insulated Panel research and supplying Northern Alberta Institute of Technology for environmental remediation research, as well as other private sector organizations. In addition, new products featuring Z-1 Zeolite are to be packaged and market-tested. Sales and shipping of Z-1 Zeolite have commenced.

“Arrangements have been made with a Vernon facility to house our packaging and distribution centre,” stated Verne Hogg, operator of the Z-1 Quarry. “We have installed a Valve Packer and have shipped, from the quarry, 48 bulk bags of Broad-Spectrum Zeolite for packaging into twenty-kilogram and tenkilogram bags at the Vernon facility. I estimate our packaging operation will be fully operational within the next three weeks. We have initiated sales as we are now able to deliver. We have 100 tonnes of Broad-Spectrum Zeolite on reserve for one customer and have shipped 24 tonnes to another customer’s composting facility.”

Zeolite and Juniper Creek Chabazite Zeolite Properties, British Columbia

On March 2, 2017, the Company signed an agreement to purchase a 100% interest in two mineral properties; the TransCanada Chabazite Zeolite and the Juniper Creek Chabazite Zeolite properties. Both are being acquired from ZMM® Canada Minerals Corp. (“ZZM”), an arm’s length vendor, and are located south and east of Kamloops, BC within Eocene volcanic rocks.

In consideration of the interest in and to the property, the Company provide ZMM with the following consideration:

- i) cash payment of \$10,000 (paid);
- ii) 1,000,000 common shares (issued at a value of \$175,000); and
- iii) incur \$250,000 of exploration expenditures within the first 12 months.

Combined with the Z-1 zeolite quarry/mine, located about three kilometres northeast of Cache Creek, B.C., these two new strategic zeolite properties broaden the Company’s assets in the emerging zeolite markets. The strategy is to actively develop all three zeolite properties, one containing the zeolite mineral Clinoptilolite and two containing Chabazite zeolite. The Company has an experienced team in place to advance the projects.

Doing so expands our markets exponentially from very high value, in the case of the high purity Chabazite, to lower value, large volume markets.

On June 29, 2017, the Company had been advised by ZMM Canada that the Application under the Provincial BC Mines Act Permit has been made to the British Columbia Ministry of Energy Mines on the TransCanada Zeolite property.

The Notice of Work and Reclamation Program application was submitted in April 2017. A reclamation security deposit has been made. The permit is for the removal of a bulk sample of 1,000 tonnes of the deposit. The TransCanada Zeolite property is located east of Kamloops, BC; 2 km east of Highway 97 and within 6 km of the TransCanada Highway.

The Notice of Work includes upgrading an access road to the quarry site. Mining of the 1,000-tonne sample will be by excavator; the material will be hauled 300 metres by rock trucks and stockpiled. A crusher will be brought in to crush the zeolite to less than 1/4 inch. Further processing and handling will be off the mine site.

The bulk sample will enable testing of the crystalline, high-purity zeolite. The high purity crystalline zeolite is slated for clean tech applications in the areas of molecular sieves, gas separation and purifying gas streams utilizing the exceptional properties of the zeolite. Other products will be produced for horticulture, agriculture and used in specialty cementations materials.

RISKS AND UNCERTAINTIES

The Company is engaged in the acquisition and exploration of mineral deposits. These activities involve significant risks which careful evaluation, experience and knowledge may not, in some cases eliminate the risk involved. The commercial viability of any material 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, 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.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts revenues and expenses during the reporting year. Actual results could differ from those estimates.

Annual losses are expected to continue until the Company has an interest in a mineral property that produces revenues. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon the continued support of its shareholders, obtaining additional financing and generating revenues sufficient to cover its operating costs. The Company's accompanying financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

Any forward-looking information in this MD&A is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the company and other factors.

RESULTS OF OPERATIONS

Revenues

Due to the Company's status as an exploration and evaluation stage mineral resource company and a lack of commercial production from its properties, the Company currently does not have any revenues from its operations. Its only source of revenue is interest income.

General and Administrative Expenses

The Company incurred loss and comprehensive loss of \$251,099 for the period ended July 31, 2017 compared with \$117,875 in the comparative period.

A brief explanation of the significant changes in expenses by category is provided below:

- Consulting fees increased to \$78,833 (2016 - \$51,050) due to increased use of consultants in the current period.
- Office and administration fees increased to \$27,053 (2016 - \$20,378). Office is primarily a result of office costs contemplated in an agreement between the Company and a related party. The office costs include rent, and various administrative costs including office personnel.
- Share-based compensation increased to \$75,600 (2016 - \$Nil) due to stock options granted in the current period.
- Travel and entertainment increased to \$15,803 (2016 - \$2,593) due to increased trips to exploration properties in the current period.

SUMMARY OF QUARTERLY REPORTS

Results for the most recent quarters ending:

	For the Three Months Ended			
	July 31, 2017	April 30, 2017	January 31, 2017	October 31, 2016
Revenue	\$ Nil	\$ Nil	\$ Nil	\$ Nil
Loss and comprehensive loss	(251,099)	(926,106)	(63,545)	(199,924)
Exploration and evaluation assets	1,828,493	1,847,977	1,225,892	1,179,803
Total assets	2,414,602	2,236,743	1,357,897	1,454,739
Basic and diluted loss per share	(0.01)	(0.06)	(0.01)	(0.02)
	July 31, 2016	April 30, 2016	January 31, 2016	October 31, 2015
Revenue	\$ Nil	\$ Nil	\$ Nil	\$ Nil
Loss and comprehensive loss	(117,875)	(161,321)	(234,157)	(108,200)
Exploration and evaluation assets	738,515	409,137	349,664	182,702
Total assets	1,392,781	423,656	419,913	289,972
Basic and diluted loss per share	(0.01)	(0.02)	(0.03)	(0.02)

Fluctuations in the Company's expenditures reflect the seasonal variations of exploration and the ability of the Company to raise capital for its projects.

Variations in losses occurred during quarters where share-based compensation was recorded, where higher professional fees were incurred and where exploration and evaluation assets were written off. In addition, as the Company attends to more projects, administrative expenses also increase to support the operation of these projects.

LIQUIDITY AND CAPITAL RESOURCES

As at July 31, 2017, the Company's shareholders' equity was \$2,139,623. The July 31, 2017 condensed consolidated interim financial statements on www.sedar.com were prepared in accordance with IFRS on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The continuation of the Company is dependent upon the continuing financial support of creditors and stockholders, refinancing debts payable, obtaining additional long term debt or equity financing, as well as achieving and maintaining a profitable level of operations. The Company believes it will require additional working capital to meet operating and exploration costs for the upcoming year.

During the period from May 1, 2017 to September 27, 2017, the Company:

- i) completed a non-brokered private placement of 1,315,789 flow-through units at a price of \$0.19 per unit for gross proceeds of \$250,000, of which \$39,474 was allocated to the warrant component of the unit offering. Each flow-through unit is comprised of one flow-through common share and one half of one non-flow through share purchase warrant of the Company. Each warrant will entitle the holder to purchase one non-flow-through share at a price of \$0.25 per share until June 9, 2018. The Company paid issuance costs of \$20,000, issued 65,789 finder's shares (valued at \$10,526) and 65,789 finder's warrants (valued at \$9,400). Each finder's warrant will entitle the holder to purchase one share at a price of \$0.25 until June 9, 2019. A value of \$41,447 was attributed to the flow-through premium liability in connection with the financing.
- ii) issued 400,000 common shares upon exercise of options for gross proceeds of \$40,000, and accordingly, the Company relocated \$24,600 of share-based reserve to share capital.
- iii) issued 1,008,500 common shares upon exercise of warrants for gross proceeds of \$130,850, and accordingly, the Company relocated \$66,610 of share-based reserve to share capital.

RELATED PARTY TRANSACTIONS

The Company defines key management as officers and directors. For the period ended July 31, 2017, the Company had the following transactions with key management, being related parties:

- a) Paid or accrued management fees of \$25,500 (2016 - \$25,500) to a company owned by the Company's Chief Executive Officer ("CEO") for fees to directors and officers.
- b) Paid or accrued administration costs, recorded as office expense, of \$18,000 (2016 - \$17,125) to a company owned by the Company's CEO.
- c) Paid or accrued \$18,000 (2016 - \$20,050) to a director of the Company and a company in which the director is the CFO for consulting fees.
- d) Granted a total of 200,000 stock options (2016 - Nil) to an officer, and directors of the Company, of which the fair market value was estimated at \$25,500 (2016 - \$Nil) and was included in share-based compensation expense.

Included in prepaid expenses as at July 31, 2017 is \$4,774 (April 30, 2017 - \$3,524) paid to a company owned by the Company's CEO.

Included in accounts payable and accrued liabilities as at July 31, 2017 is \$1,918 (April 30, 2016 - \$117,827) owed to a company owned by the President, CEO and director.

FINANCIAL INSTRUMENTS, RISKS AND UNCERTANTIES

Fair values

The fair values of cash are measured under level one of the fair value hierarchy. The fair value of accounts payable and accrued liabilities approximate their book values because of the short-term nature of these instruments.

Financial instrument risk exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes cash and receivables. The Company reduces its credit risk by maintaining its bank accounts at large international financial institutions. The Company's receivables consist primarily of tax receivables due from a federal government agency.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operating activities and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

The Company has cash balances and interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term demand deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit rating of its banks.

b) Foreign currency risk

The Company is exposed to nominal foreign currency risk.

c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings (loss) due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations may be significant.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

CHANGES IN ACCOUNTING POLICIES AND FUTURE ACCOUNTING PRONOUNCEMENTS

Please refer to the condensed consolidated interim financial statements for the period ended July 31, 2017 located on www.sedar.com.

OUTSTANDING SHARES, STOCK OPTIONS AND WARRANTS

As of September 27, 2017, the Company had the following outstanding:

Common shares – 30,869,137 outstanding

Stock options:

Options Outstanding	Exercise Price	Expiry Date
95,000	\$0.50	2-Dec-17
100,000	0.50	4-Dec-17
22,500	1.00	12-Mar-18
350,000	0.21	21-Apr-18
33,000	0.70	29-Aug-18
5,000	0.50	22-Jan-19
550,000	0.15	1-Feb-19
15,000	0.60	26-Feb-19
455,000	0.17	28-Mar-19
400,000	0.15	10-Jul-19
2,025,500		

Warrants:

Warrants Outstanding	Exercise Price	Expiry Date
127,500	\$0.10	20-Feb-18
657,895	0.25	09-Jun-18
495,000	1.00	25-Jul-18
11,400,000	0.15	20-Feb-19
65,789	0.25	09-Jun-19
12,746,184		

PROPOSED TRANSACTIONS

The Company has no proposed transactions.

CONTINGENCIES

There are no contingent liabilities.

OTHER MD&A REQUIREMENTS

Additional disclosure of the Company's technical reports, material change reports, news releases and other information can be obtained on SEDAR at www.sedar.com.