

TEUTON RESOURCES CORP.

Management's Discussion & Analysis for the Period Ended September 30, 2017

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MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE PERIOD ENDED SEPTEMBER 30, 2017

The following management's discussion and analysis of the financial condition of Teuton Resources Corp. (the "Company") and results of operations of the Company, prepared as of November 29, 2017 should be read in conjunction with the unaudited financial statements and the notes thereto for the nine month period ended September 30, 2017 which were prepared in accordance with International Financial Reporting Standards. All amounts are expressed in Canadian dollars unless otherwise indicated.

OVERALL PERFORMANCE

Teuton Resources Corp. ("Teuton" or the "Company") is currently an exploration stage company engaged in the acquisition, exploration and optioning of mineral properties, primarily in the Treaty Creek-KSM-Brucejack –Premier-Stewart mineral trend of northwestern British Columbia (the southern portion of the "Golden Triangle"). Emphasis at this point is on exploring for gold and silver, and to a lesser degree, copper, lead and zinc deposits. Subject to the results of ongoing exploration and development activities, the Company may require additional capital in the future to continue these exploration and development programs and the administrative costs associated with them. The Company will continue to seek third parties to undertake options on its properties.

From July, 2015, to the present, the Company has been successful in completing option agreements and has received over \$1,450,000 in option payments as well as a substantial number of shares in certain of the optionee companies. Again, in addition to the results of ongoing programs, general trends in the overall conditions of the mining industry will largely dictate the Company's ability to raise capital.

OUR BUSINESS

The Company's present focus is the exploration of its claims in the Golden Triangle/Stewart region of northwestern British Columbia. A multi-million dollar exploration program was conducted in 2017 on the Company's Treaty Creek claim by Operator Tudor Gold. Teuton retains a 20% carried interest in the property (carried until a production decision is made) as well as various NSR interests. Drilling results from two zones on the property, the Copper Belle and the HC (GR2) have been encouraging. Results from additional holes are awaited.

The Company also carried out a regional prospecting and sampling program over several of its properties. Wide-spread copper mineralization was discovered on its Mach 3 claims (Pearson North), accompanied in places by gold and silver bearing veins. Investigations around a prominent EM anomaly on its Pearson property resulted in the discovery of copper-bearing float, downhill from malachite-stained cliffs directly above.

In September of 2017, Teuton and its sister company, Silver Grail Resources, optioned their interests in the Clone Gold property to Sunvest Ventures, in return for cash, shares and an NSR. It is the tenth property to be optioned out by the Company. Of these, three properties have been optioned to Pretium Resources Inc. and four to Tudor Gold Corp.

EXPLORATION

Stewart-Eskay Creek Region Properties

Treaty Creek Property

The Treaty Creek property is located about 17 km east of the Eskay Creek mine and was first acquired by the Company, mostly by staking, in 1983-4. In subsequent years it was optioned out on four separate occasions, first to Tantalus Resources, then to Homestake Mines, to Global Resources and finally to Heritage Explorations, before being returned to the Company. On April 4, 2007, the Company granted American Creek Resources Ltd. ("American Creek"), a TSX Venture Exchange listed company, an option to explore the Company's Treaty Creek project.

The agreement allowed American Creek to earn a 51% interest in the Treaty Creek by funding \$5,000,000 in exploration and making staged share payments amounting to 100,000 shares over three years. An

additional 9% interest in the project could be acquired by funding all expenditures through to the completion of a feasibility study (the time in which to carry out this additional option has now expired). A dispute arose after 2009 as to whether or not American Creek had properly exercised its right to earn a 51% interest in the property, resulting in protracted litigation. This dispute has now been resolved in American Creek's favour with the resulting division of property interests as follows: Teuton-49%, American Creek-51%.

On May 11, 2016 Teuton announced that a joint venture had been formed with Tudor Gold Corp. holding an immediate 60% interest and each of American Creek and Teuton Resources Corp. holding an immediate 20% interest in the joint venture. Both Teuton's and AMK's 20% interests are fully carried during the exploration period until a production notice is given. This means that neither Teuton nor AMK will have to contribute any money to the project until such time as Tudor Gold takes the property to a production notice. Thereafter, each will be responsible for 20% of the costs going forward under and subject to the terms of the joint venture.

Teuton has also been granted a 2% NSR on 49% of certain claims within the property and a 1% NSR on 49% of other claims within the property (the 49% represents Teuton's original interest in the Treaty Creek property). There is no buyback on these NSRs. Teuton has also received 500,000 shares of Tudor Gold. Tudor Gold has agreed to complete a minimum of \$1,000,000 in exploration expenditures on the Treaty Creek property during 2016 (which condition it has satisfied).

The Treaty Creek property sits northeast and along geological trend of Seabridge Gold's KSM gold-copper property, home to two world-class porphyry copper-gold deposits (the Mitchell and the Deep Kerr) and north of Pretium Gold's Snowfield-Brucejack property. Like the KSM and Snowfield-Brucejack properties, the Treaty Creek property is marked by abundant, large alteration zones (gossans) which can be seen from miles away and are conspicuous because of their bright yellow, orange and red colours. The Sulphurets thrust fault, recognized by BC government geologists as being spatially related to all of the large copper-gold deposits on Seabridge's KSM property, passes northeast into the Treaty Creek property.

The last drilling by American Creek on the property took place in 2009, results of which were announced in January, 2010. These included some promising intersections including an intercept in Hole CB-14 which ran 241.7m of 0.80 g/t gold from 114.0m to 341.7m. Full details can be obtained from the January 14, 2010 posting on SEDAR (www.sedar.com). The area of the intersection has been termed the "Copper Belle".

In May 2014, the Company announced that a geophysical report written by K. Killin, P. Geo., had identified a significant anomaly at Treaty Creek, close to the area where a drill hole had intersected 241m grading 0.8 g/t gold. Because the anomaly was located at the end of the geophysical survey area, its true size was not delimited. "The zone has the potential to be a very large body based on the information provided, should it extend to the southwest toward the Seabridge KSM property", said Mr. Killin.

Tudor Gold in August of 2016 completed a follow-up magnetotelluric survey over the Treaty Creek claims, defining new anomalous zones along the Copper Belle trend. These anomalous zones extend from the Copper Belle area southward toward Seabridge Gold's Iron Cap zone.

Drilling was also carried out by Tudor Gold during the 2016 field season. The third hole of the season, CB-16-03, collared 870m north-northeast of Hole CB-14 returned the most promising results: **338 meters of 0.70 g/t gold (from 88 meters to 426 meters)** which included 54 meters (from 88 to 142 meters) of 1.117 g/t gold and 122 meters (from 304 to 426 meters) of 0.965 g/t gold.

In 2017, a further 26 holes were drilled into the Copper Belle zone of which four have already been reported. All four holes encountered gold intersections, the best of which, Hole CB-17-07, returned 369m of 0.686 g/t gold (from 161 to 530m), including a 43.5m interval (from 203 to 246.5m) which ran 1.81 g/t gold as well as 0.142% copper and 11.88 g/t silver.

Drilling in 2017 also targeted the HC zone. Hole HC-17-01, designed to test for northern extensions of GR2 zone mineralization (as encountered in previous drilling in 2007 and 2009), intersected 5.1m of 9.57 g/t gold from 249.35m to 254.45m. Further drill holes from both the Copper Belle and HC zones are awaited.

King Tut and Tuck Properties

The Company's King Tut and Tuck properties adjoin due south of the Brucejack property of Pretium Resources Inc., where exploration from 2006 to the present has defined several gold-bearing zones, including the very high-grade Valley of the Kings zone. Pretium received federal approval to build a mine at the Valley of the Kings in 2015. In summer of 2017 Pretium announced it had completed construction of the \$1 billion mine. First gold has now been poured and the project is well under way to being fully in commercial production.

In July of 2015, Teuton optioned a 100% interest in its King Tut and Tuck properties (including a single claim from the Silver Crown property) to Pretium for \$1.8 million payable over 4 years, subject to a 2% NSR payable to Teuton. It received the first installment of payments, \$250,000, in fiscal 2015. Another \$250,000 was received in January of 2016, a further \$250,000 in July of 2016, and another \$250,000 in July of 2017. \$800,000 is to be paid over the next two years.

The common boundary between Pretium's and Teuton's ground lies 1.25km south of the southern portion of Pretium's Bridge zone, where drilling work has defined a large mineralized body averaging 1.0g/t gold. Work by Teuton in 2012 indicates that the north-south corridor (lying along the Brucejack Fault) of favourable geology extends into Teuton's King Tut claims. In August 2012, Teuton drilled one long hole (over 2,000 feet) into a newly-discovered gossanous area located 250m south of the common boundary between Teuton and Pretium Resources. This hole successfully intersected 222 metres (728 feet) grading 0.88 g/t gold. The width of this intersection and grade is directly comparable to the first 21 holes drilled into Pretium's Bridge zone (located 2km to the north), which average 237m of 0.87 g/t gold.

The new zone, dubbed the "King Tut" lies on a rock island (nunatak) recently exposed by melting ice. It was originally planned to drill up to 5 or 6 holes on this site but because the drill was on loan from a neighbouring company, it had to be returned within 12 days and this allowed only enough time to drill one hole.

In 2013, the Company carried out further surface sampling in the King Tut area which resulted in the discovery of a new stockwork zone that carried gold values ranging from 0.140 to 1.835 oz/ton gold. Three short drillholes were completed in one portion of the King Tut area but they did not contain any significant intervals. A further two holes, aimed at testing a new zone discovered at lower elevations, did not reach target depth due to technical considerations.

A 2014 program of reconnaissance sampling led to the discovery of a new gold bearing area, called the "Tuck zone" on the Tuck property, which adjoins the King Tut to the south. It was recently exposed by ablation of an icefield that had previously obscured the mineralization. The zone is now exposed over a minimum 200m width and for 300m along strike before disappearing under snow and ice.

Gold and anomalous arsenic values are associated with intensely sericite altered volcanic rock. The altered rocks are jarosite stained with a strong quartz stockwork that locally forms up to 50% of the rock. Pyrite as coarse grains and as fine grained veinlets up to 1cm wide form up to 10% of the zone overall. A fine black unidentified sulphide occurs in some of the rocks sampled.

A drill was mobilized to the property and sixteen, mostly short holes, were drilled, testing a limited area in the southern portion of the Tuck quartz stockwork zone. Weather-related and logistical considerations precluded a test of the northern portion of zone (the pictures on the company website are of the northern portion of the zone). Although no high-grade gold-bearing intercepts were recorded in the program, the work is considered quite encouraging because of the broad lower-grade gold results encountered. Detailed results can be seen in the news release filed on Sedar on Nov. 17, 2014.

The King Tut and Tuck properties represent approximately 35% of the total area of the former High property, which was a collective name given to the King Tut, Tuck, Delta, High North and Fairweather properties).

Delta Property

The Delta property is the third of a group of Teuton properties lying along the southerly trend of Jurassic age rocks that host the various gold deposits of Pretium's Brucejack property. On March 1, 2016, the property was optioned to a private company for \$1 million in cash payable over four years. Teuton retains NSRs in the claims varying from 1.5 to 2.5% with no buyback. On May 26, 2016, the option agreement was assigned from the private company to Tudor Gold Corp.

Work done intermittently from 1985 to the present has disclosed several gold-bearing or gold-anomalous zones within the claims area.

In 1985 limited prospecting defined an area marked by a number of streams containing highly anomalous heavy metal sediments, ranging from 1,255 to 6,500 ppb gold and from 20.0 to 141 ppm silver. Rock sampling undertaken during this year led to the discovery of an isolated occurrence containing visible gold. Larger programs conducted in succeeding years, disclosed an area of extensive soil geochemical multi-element anomalies (gold, silver, lead, zinc). The only source found to date to explain the geochemical anomalies is a number of narrow, high-grade vein structures. A small drilling program conducted in 1986 near the visible gold occurrence was not successful in locating economic mineralization.

In the aftermath of the Eskay Creek discovery the Delta property was optioned by Canarc Resources. Extensive prospecting, geological mapping, geochemical sampling and limited surface geophysical surveying were carried out in 1990. This work expanded the known geochemical soil anomalies (+400 ppb gold contour) but did not determine a definitive source. McCrossan, et al stated: "Geophysical IP anomalies in the vicinity of the J Zone indicate the possible presence of metal sulfides near a rhyolite-argillite contact. Some potential exists for Eskay Creek-type gold rich massive sulfide deposits on the Delta Property".

The only other drilling done on the claims has been near the Feld gossan, located west of the geochemically anomalous area. A prospecting traverse undertaken in 2011 defined two areas containing appreciable surface gold values. Later that year, two holes were drilled west from a pad into an area from which surface samples returned values ranging from 0.74 to 47.8 g/t gold. Neither of the holes reached the downward expression of the surface mineralization. It appears that the pad was emplaced too far east, but because of a spalling glacier located immediately above the mineralized zone, this was the closest it could be put in without endangering the drill crew.

Another three holes were directed at various azimuths from a pad constructed below a second mineralized gold zone discovered by prospecting (the Feld showing). This pad was also not ideally located, as severe weather prevented location of a pad to a preferred site immediately above the zone. One of the holes is thought to have intersected the downward projection of the zone, returning a 5.8m interval grading 3.0 g/t from 210.9 to 216.7m. The other holes were drilled at steeper angles and did not reach the projected gold-bearing area.

In 2012, two holes were drilled from a pad set up much higher than this surface gold-bearing exposure, in order to test an area of prospective geology. One of the holes contained two narrow sections of extremely fine-grained, massive sulfide mineralization containing significant lead, zinc, silver and gold values.

The lead-zinc mineralization appears to have been remobilized, and is hosted within a volcanoclastic-flow sequence with associated discordant stockwork stringers. Preliminary assessment suggests the mineralization could be VMS (Volcanogenic Massive Sulfide) in nature, similar to that at Eskay Creek. Unfortunately, shortly after intersecting the mineralized zone, drill hole HS12-02 had to be terminated at 850 feet due to high avalanche risk in the area supplying water to the drill.

High North Property

The High North property is located immediately south of Seabridge Gold's KSM property. On March 1, 2016, the property was optioned to a private company for \$1million in cash payable over four years. Teuton retains a 2.5% NSR in the claims with no buyback. On May 26, 2016 the option agreement was assigned from the private company to Tudor Gold Corp.

Rocks of the Triassic age Stuhini Group which host the large copper-gold deposits on the KSM property extend southward into the High North property. Most importantly, the Sulphurets Fault extends southward into the High North property for a distance of 8 km.

The area in the southernmost part of Seabridge Gold's KSM property and further south yet into Teuton's High North property is quite rugged, much of it is at high altitude and large portions are covered by ice. Nevertheless, based on geological considerations, one can assume that potential exists for the discovery of further deposits on this ground.

For one, a literature search conducted over the 2013-14 months has disclosed details of an old prospecting traverse on Seabridge Gold's claims located a few hundred meters north of the common boundary between the KSM and High properties (on Seabridge Gold ground). Rock geochemical samples taken along this

traverse carried anomalous copper values of the same magnitude as those found over what is now the Kerr deposit and may possibly indicate the presence of another porphyry system.

Government geological maps show several areas on the High North property which contained zones of alteration. The Company has yet to examine all of these prospective areas.

Fairweather Property

The Fairweather property is the most southerly of a group of Teuton properties lying along the southern trend of Jurassic age rocks that host the various gold deposits of Pretium's Brucejack property. In December of 2015, the Fairweather was optioned to a private company for \$350,000 cash and 700,000 shares of an as yet undefined public company, payable over 5 years. The Company retains NSRs ranging from 1 to 2% with no buyback. On May 26, 2016 the option agreement was assigned from the private company to Tudor Gold Corp.

In 1987 geologist Ken Konkin discovered a pyritic, quartz brecciated conglomerate zone on the Fairweather which was trenched and yielded an average grade of 4.04 g/t gold over 7.0 metres. A similar zone was sampled uphill from this occurrence, returning anomalous gold values of 720, 780 and 1045 ppb (grabs). Exposure in the area was quite poor with deep overburden in places. The next year the site was revisited but limited follow-up work failed to reach bedrock. Although the zone was recommended to be tested by a series of shallow holes, such work is yet to be done. A cluster of soil geochem gold anomalies lies downhill from the occurrence.

It was originally believed that the gold-bearing zone was located within the Lower Jurassic Unuk River Formation. However more recent geological mapping places it in the Triassic. Recently, Jeff Kyba, regional government geologist for the Northwest section of British Columbia, and a co-author with Joanne Nelson of the BC Geological Survey on several seminal papers on the district, has stated his belief that the contact between the Triassic and Lower Jurassic (between the Stuhini and Hazelton group rocks) is an important horizon for locating mineral deposits. According to the recent government geological maps, the favourable contact is located both in the eastern and western portions of the property. The westernmost contact is important because it lies close to the southern extension of the Sulphurets Fault, a structure which is known to be related to the large-scale porphyry copper-gold deposits on Seabridge Gold's KSM property.

Big Gold Property

Teuton's Big Gold property is situated 12km southwest of Pretium Resource's Brucejack property. It lies 6km to the southwest of Teuton's King Tut and Tuck properties, recently optioned to Pretium Resources.

A new alteration zone on the property was discovered during a routine follow-up of anomalous samples taken during a regional reconnaissance conducted in 2006. In the last nine years the area has opened up completely, and is now free from snow and ice for a distance of at least one km north-south, and up to 800m east-west. The area is marked by prolific sericite alteration and exhibits strong shearing. Numerous quartz sericite schist sub-zones have been discovered of which two have been tested to date by limited sampling.

One of the sub-zones, traced for at least 150m and with an indeterminate length, is up to 10 to 15m wide and features quartz-pyrite mineralization. In some areas, pyrite forms up to 30% of the rock and some samples from the zone have shown arsenopyrite and jarosite alteration. The sub-zone is bracketed by outcrops of limestone and also a volcanic rock carrying abundant mariposite. The quartz sericite schist shows a vertical foliation and forms a series of hummocks where the silicification has been more intense and the rock less resistant to erosion. Eight grab samples taken along a 150m traverse of the sub-zone averaged 0.81g/t gold equiv. (0.66 g/t gold and 10.7 g/t silver at a 70:1 ratio; gold ranged from 0.04 to 1.82 g/t and silver from 4.0 to 23.5 g/t).

Elevation is at 1380m and the topography of most of the alteration zone is quite easily traversable. Access at present is by helicopter, but in the future the property could be accessed by the already existing road ending on Teuton's Four J's property, from there directly west up the Frank Mackie Glacier to the property a distance of some 7km.

Drilling of the Big Gold commenced in August of 2016 and 8 holes were completed before the end of the program. Although many intercepts were obtained containing anomalous levels of gold, silver and zinc, no economic intersections of mineralization were found.

Orion Property

The Company holds a 100% interest in the large Orion property, situated south of the Sulphurets District and northwest of the Company's 4J-s and Tennyson properties. The local setting has some affinities with the geological setting at the rich Eskay Creek gold mine

Previous prospecting and trench sampling has disclosed several areas of brecciated rhyolites hosting gold-bearing arsenopyrite mineralization. One of these occurrences was tested by drilling in 2007. Results are presented in the news release on file with SEDAR dated February 28, 2008. Minor regional geochemical sampling was carried out in 2009. No work was carried out on the property in 2010-12. In 2015, a drone aerial reconnaissance was flown over a gossanous area in the northeastern section of the property.

In 2013 the BC Geological Survey carried out investigations in the region of the Orion and High properties (as well as the KSM, Brucejack and Treaty Creek properties), culminating in Paper 2014-1, pp 111-140, by J. Nelson and J. Kyba, entitled "*Structural and stratigraphic control of porphyry and related mineralization in the Treaty Glacier - KSM - Brucejack - Stewart trend of western Stikinia*". This work focused on the McTagg anticlinorium and its relation to the many deposits which are presently being developed in the area. All five of the deposits on Seabridge Gold's KSM property—the Iron Cap, Mitchell, Sulphurets, Kerr and Deep Kerr—are thought to be related to the Sulphurets thrust fault, a major structural feature traversing the KSM property. Notably, the BC Geological Survey has now extended this fault southward about 8 km into Teuton ground, a large portion of which this passes along the Orion property.

In June of 2016 the Orion property was optioned to Tudor Gold in a five year deal requiring total payments of \$700,000 and 700,000 shares of Tudor Gold for a 100% interest, subject to a 2.5% Net Smelter Royalty payable to Teuton (there is no buyback on the royalty). To date \$100,000 and 250,000 shares of Tudor Gold have been received.

Tennyson Property

This property was first staked in 1985 and is centered on a large gossan situated at the upper end of the North Berendon Glacier, near the formerly producing Scottie Gold Mines and 40km north of Stewart, British Columbia in the Golden Triangle. It has been under option six times in the past, including the most recent option to Brigade Resources which was relinquished in 2014. The property is presently owned 100% by the Company. Plans are to re-option it once metal prices, particularly copper, improve.

Geochemical sampling conducted over the gossan in past years has defined highly anomalous gold and copper anomalies. Airborne geophysics has outlined several magnetic highs on the property. Teuton carried out a major drilling program on the property in 2011, completing 3,123 metres over 16 holes. Results for all holes are found in the table, below:

Drill Hole	Interval (metres)	Width (metres)	Gold (g/t)	Copper (%)	Copper Equiv. *
TN11-01	2.1 to 15.2	13.1	0.32	0.44	0.66
TN11-02	1.5 to 71.6	70.1	0.17	0.31	0.43
TN11-03	0 to 81.7	81.7	0.32	0.33	0.55
TN11-04	0 to 229.5	229.5	0.25	0.32	0.50

TN11-05	0.9 to 95.7	94.8	0.17	0.30	0.42
	130.5 to 157.9	35.2	0.27	0.34	0.53
TN11-06	0.6 to 99.1	98.5	0.22	0.43	0.58
TN11-07	0.6 to 126.5	125.9	0.27	0.40	0.59
TN11-08	3.1 to 106.7	103.6	0.31	0.42	0.64
TN11-09	0.5 to 101.5	101.0	0.26	0.32	0.50
TN11-10	0.3 to 192.3	192.0	0.20	0.32	0.46
TN11-11	0 to 119.8	119.8	0.19	0.30	0.43
TN11-12	1.2 to 68.9	67.7	0.21	0.30	0.45
TN11-13	98.1 to 158.1 ¹	60.0	0.14	0.22	0.32
TN11-14	54.6 to 161.2 ²	106.6	0.24	0.42	0.59
TN11-15	51.2 to 262.7 ³	211.5	0.15	0.22	0.33
TN11-16	32.0 to 152.1 ⁴	120.1	0.12	0.21	0.29
<p><i>* Based on \$1615 oz/ton gold and \$3.35 lb copper, metallurgical recoveries assumed to be 100%. All widths drill indicated only.</i></p> <p><i>¹ Ice from 0 to 35.4m ² Ice from 0 to 54.6m ³ Ice from 0 to 51.2m ⁴ Ice from 0 to 32.0m</i></p>					

In 2012, Teuton optioned the property to Brigade Resources Ltd., a private company that was part of the well-known Hunter Dickinson group (“HDI”), one of the leading miners in British Columbia and an expert in porphyry copper-gold deposits.

In 2013, Brigade’s seasonal budget for Tennyson drilling and other work was set at up to \$4,000,000. The 2013 field season was completed with approximately 6,700 metres drilled in 16 holes across three potentially related targets. Highlights of drilling include:

- 205.54m of 0.227 g/t Au and 0.300% Cu (0.465% Cu Equivalent*) in TN13-09 (main zone)
- 103.62m of 0.129 g/t Au and 0.246 Cu (0.335% Cu Equivalent*) in TN13-12 (skarn zone)

Hole TN13-09 was a vertical hole collared on the ice about 200m southwest of the northwest-trending axis of drilling in 2011. Holes TN13-02, 03A, 04A, 05, 06, and 07 probed the potential of the main porphyry copper-gold zone in the area south and southwest of the 2011 drilling. A tabulation of significant results from the 2013 drilling is presented below:

Drill Hole	Interval (metres)	Length (metres)	Silver (g/t)	Gold (g/t)	Copper (%)	Copper Equiv.* (%)
TN13-02	1.76 to 18.90	17.14	1.1	0.157	0.295	0.407
	61.61 to 134.36	72.75	5.5	0.170	0.249	0.420
incl.	110.06 to 118.46	8.40	1.6	0.250	0.496	0.674
	143.90 to 171.34	27.44	1.1	0.091	0.175	0.245
	183.54 to 311.59	128.05	1.3	0.256	0.388	0.565
incl.	247.56 to 280.11	32.55	2.3	0.537	0.686	1.054

	323.78 to 332.93	9.15	0.6	0.556	0.023	0.384
TN13-03A	64.01 to 97.56	33.55	8.0	0.417	0.157	0.513
	112.80 to 128.05	15.25	1.8	0.227	0.241	0.406
	164.63 to 246.95	82.32	1.0	0.217	0.216	0.365
Incl.	164.63 to 207.32	42.69	1.1	0.292	0.254	0.452
TN13-04A	90.24 to 96.34	6.10	10.8	2.21	0.021	1.550
	154.27 to 190.58	36.31	1.4	0.401	0.035	0.306
TN13-05	114.30 to 245.543	131.13	2.6	0.192	0.173	0.325
Incl.	126.49 to 163.07	36.58	6.8	0.251	0.196	0.433
TN13-06	312.50 to 330.79	18.29	0.7	1.367	0.026	0.903
TN13-07	325.91 to 414.33	88.42	1.9	0.199	0.188	0.336
Incl.	344.21 to 380.79	36.58	2.7	0.208	0.287	0.450
	447.87 to 478.35	30.48	0.8	0.201	0.167	0.304
	493.60 to 524.09	30.49	0.4	0.102	0.185	0.253
	533.23 to 547.68	14.45	0.3	0.095	0.215	0.279
TN13-09	46.90 to 252.44	205.54	1.8	0.227	0.300	0.465
Incl.	69.51 to 81.71	12.20	4.5	0.334	0.783	1.046
Incl.	148.78 to 191.46	42.68	2.1	0.361	0.473	0.727
	261.15 to 273.78	12.63	0.7	0.071	0.262	0.315
TN13-12	36.58 to 140.20	103.62	0.6	0.129	0.246	0.335
Incl.	95.19 to 115.82	20.63	1.1	0.198	0.538	0.677
*Metal Prices: Cu=\$US 2.75/lb, Au= \$US 1,200/oz, Ag=\$US 21.35/oz. Copper Equivalent = Cu % + (Au g/t x 38.58/60.63) + (Ag g/t x 0.686/60.63)						

Subsequent to the end of the 2013 work program, Brigade informed the Company that it did not intend to carry out any further work on the Tennyson property because it felt that the property no longer exhibited potential for a very large porphyry copper-gold system. During the quarter ended September 30, 2014, the Tennyson property was returned to the Company. A drone aerial reconnaissance was carried out over the property in 2015.

Del Norte-Midas Property

The Del Norte property is located 25km east of Stewart, British Columbia and is 100% owned by the Company. The central claims of the Del Norte property were originally acquired by staking in 1985. Exploration previous to 2002 outlined several gold-silver bearing zones, including the Humdinger, Crackle and O zones. In 2002, a new zone was discovered in an area of ablation (meltback of glacial ice/snow fields) from which a surface chip sample returned a true width of 10 metres grading 0.179 oz/ton gold and 18.4 oz/ton silver, for a gold equivalent value of 0.442 oz/ton (at 70:1 gold/silver value ratio). Three diamond drill holes from a set-up approximately 15 metres south (along strike) intersected the new zone and returned values with true widths ranging from approximately 8 to 10 metres, and with gold equivalent grades ranging from 0.185 to 0.339 oz/ton.

On August 29, 2005, the Company announced that a drilling program was set to begin on the Del Norte. Shortly thereafter, the Del Norte property was optioned to Sabina Silver Corp. Under the terms of the agreement, Sabina Silver was granted the right to earn a 50% interest in the property by expending \$2,500,000 in work commitments and paying \$240,000 in option payments over the four year term of the option. The Company also received an additional \$90,000 upon signing of the agreement.

The claims adjoining to the south of the Del Norte property, the "Midas" claims, were also included in the Sabina agreement option, so that the combined property became known as the Del Norte-Midas claims. However, the Midas claims at the time were jointly owned by the Company and Silver Grail Resources Ltd. ("Silver Grail"). At that time, Silver Grail retained participatory rights equal to the Company's in the Midas claims portion of the combined Del Norte-Midas property.

Prospecting in the 3 ounce area near the border of the Del Norte/Midas claims resulted in the 2003 discovery of quartz float boulders grading up to 3 oz/ton gold, near the same volcanic-sediment contact which hosts the LG mineralization some 6 miles to the north. One day of trenching in 2004 partially exposed a quartz vein mineralized with tetrahedrite.

In 2006 Sabina Silver drilled three holes into the 3 Oz showing on the Midas property, encountering promising intercepts of bulk tonnage-type gold mineralization spatially related to a gold-rich vein. The best result was in Hole SDN-06-02 which returned a wide interval of gold mineralization grading 2.52 g/t gold (0.07 oz/ton) over 32.4 meters. True width is estimated at 29.2 meters or 96 feet. Within this intersection, a sub-interval ran 26.77 g/t gold (0.78 oz per ton) over 0.7 meters.

In 2007, Sabina Silver drilled an additional 9 holes into the 3 Oz showing (results are detailed in the news release on file with SEDAR dated December 3, 2007). By doing this work, Sabina earned a 50% interest in the Del Norte-Midas property.

In July 2014 Teuton purchased Sabina's 50% interest in the Del Norte-Midas property. It now owns 100% of the Del Norte and 75% of the Midas (Silver Grail owns the remaining 25% of the Midas). Teuton has issued 100,000 of its shares to Sabina and has agreed to grant Sabina a 1% NSR in the property, one-half of which can be repurchased for \$1 million. The buy-back on the NSR is limited to any time prior to completion of a feasibility study. The TSX-V accepted for expedited filing documentation of the purchase and sale agreement between Teuton and Sabina on July 15, 2014.

The Company carried out prospecting on the Del Norte in 2014 resulting in the definition of a number of likely areas for drilling. One target area was subsequently drilled south of the Bullion zone and north of the "O" zone. Results from five holes drilled into the area showed results which are consistent with porphyry copper-gold mineralization (see news release on Sedar dated November 26, 2014 for full details). No work was carried out in 2015.

Teuton returned to the property in 2016 drilling 8 additional holes in Del Norte Creek valley in a search for porphyry copper type mineralization. Three holes drilled west from the second pad in this program all encountered pyrite and chalcopyrite mineralization, the deepest of which went to over 1,300 feet (the limit of the drill). The bottoms of these three holes were marked by increasing K-feldspar alteration. Assays from all three holes have now been received with the best hole, the deepest, returning a 74.2m intersection from 264.6 to 338.8m averaging 0.15% copper and 0.27 g/t gold. This hole had double the copper content of the 2014 holes. A 10.7m interval included in this intersection, from 284.9 to 296.6m, ran 0.31% copper and 0.37 g/t gold. The remaining holes did not contain economic mineralization.

A magnetotelluric survey was run over the area surrounding the 2016 drilling in an attempt to determine depth extensions of porphyry mineralization

Clone Property

The Clone property was originally owned 50-50 with Silver Grail and is located about 16km southeast of Stewart, British Columbia. High-grade gold and gold-cobalt containing shear structures were identified on the Clone property in 1995 and subsequently drilled in 1996-7. Although several high-grade intersections were obtained in the drilling, continuity of mineralization was erratic.

On November 30, 2005, the Company and Silver Grail granted Canasia Industries Corporation (“Canasia”) (“CAJ”, TSX-V) an option to acquire a 50% interest in the Clone gold property. That option has now been exercised, with the result that the current interests in the property are: Teuton—25%, Silver Grail –25%, Makena Resources – 50% (Canasia changed its name to Makena Resource in 2013).

A 3,000 ft. drill program was awarded to Elite Diamond Drilling of Revelstoke, BC, for the 2008 program. Ten holes were drilled and results were reported on SEDAR on October 19, 2008. A two-phase drilling program was carried out in 2009, funded by Canasia. In the first phase 20 holes were drilled with fair to excellent results as detailed in the News Release dated October 5, 2009 on file with Sedar. In the second phase a further 15 holes were drilled with generally excellent results. Results for this second phase are outlined below:

Drill Hole #	From (m)	From (ft.)	To (m)	To (ft.)	Interval (m)	Interval (ft.)	True Width Coeff.	Gold (g/t)	Gold (oz/t)
21 incl.	11.89 11.89	39 39	19.81 13.72	65 45	7.92 1.83	26 6	0.94 0.94	30.37 115.80	0.886 3.377
22	15.85	52	19.81	65	3.96	13	0.87	26.23	0.765
24	20.42	67	23.47	77	3.05	10	0.77	4.04	0.118
25	12.50	41	16.15	53	3.65	12	0.85	3.68	0.107
26	12.19 21.03	40 69	16.46 26.21	54 86	4.27 5.18	14 17	0.78 0.78	26.39 15.83	0.770 0.462
27	15.85	52	17.98	59	2.13	7	0.85	10.81	0.315
28 incl.	10.67 10.67	35 35	23.47 15.54	77 51	12.80 4.87	42 16	0.92 0.92	44.75 76.80	1.305 2.240
29	20.12	66	26.21	86	6.09	20	0.69	4.81	0.140
30	13.41	44	23.77	78	10.36	34	0.92	6.40	0.187
31	18.29	60	20.12	66	1.83	6	0.85	42.07	1.227
32	19.51	64	24.08	79	4.57	15	0.75	3.96	0.115
33	18.29	60	24.99	82	6.70	22	0.85	11.04	0.322
34	25.30	83	27.43	90	2.13	7	0.78	60.31	1.759
35	24.99	82	29.88	98	4.87	16	0.69	3.81	0.111

The holes were drilled between Trenches 4, 14 and 15 on the H-1 structure and were designed to guide the bulk sampling program. Dip angles for the holes were either minus 20, 30 or 40 degrees. For the purposes of calculating the true width coefficient, the zone is estimated to be vertically dipping.

Mineralization is localized within highly silicified semi-massive to massive hematite-specularite and gold occurs as fine disseminations and is associated with the oxide mineralization. The major lithology is observed to be light grey to green andesitic pyroclastics intercalated with fine grained to aphanitic andesite. Clasts are subangular to angular, matrix supported, and range in size from 1-3cm. Quartz- calcite stockwork pervades the unit in moderate abundance.

The 2011 bulk sampling program consisted of 102 tons with an average grade of 4.0 oz/gold per ton which was removed from the site and shipped to Stewart by helicopter. Metallurgical studies have been completed which show that up to 76% of the gold can be liberated by a fine grind followed by gravity separation. An abbreviated continuation of the ongoing bulk sampling program was carried out on the Clone property in 2012. The Company has sent some of the bulk sample for processing and payment was received during the quarter ended September 30, 2014.

A small drilling program was completed in 2016 of 7 holes on two different targets. Results are available on Sedar on Jan. 6 and Feb. 20, 2017.

In September of 2017, Teuton’s and Silver Grail’s interest in the Clone property were optioned out to Sunvest Ventures. Terms of the option call for 5,000,000 shares of Sunvest to be issued to Teuton/Silver Grail and \$200,000 cash paid to Teuton/Silver Grail, collectively, over a two year period. Work commitments totaling \$1.95 million are also to be carried out over three years. Teuton/Silver Grail, collectively, will share a 2% NSR, one-half

of which can be repurchased for \$1.5 million. Should Sunvest default on the option agreement, Teuton/Silver Grail will receive their interest in the property back and also have an option to purchase Makena's 50% original interest for \$100,000.

Four J's Property

This property is located east of the Tennyson property and lying north of Brigade Resources' Tide property and west of American Creek's Electrum claims. Past exploration has exposed several zones, including the Main zone which hosts stratiform lead-zinc-antimony-silver mineralization. In 2010, the Company optioned out the Four J's property to Rotation Minerals. Rotation Minerals can earn a 50% interest in the property by paying \$180,000 and incurring exploration expenditures of \$1,800,000 over the four year term of the option. The first year commitment calls for a \$20,000 down payment and \$250,000 worth of work. Rotation Minerals has another option to earn another 20% interest by carrying the property to feasibility. Rotation has completed a road into the Four J's property from the end of the Granduc road system and has drilled over 30 close-spaced holes. Results from these holes have now been received and show good values in lead, zinc, antimony, silver and to a lesser extent, gold. Close spaced drilling was conducted in order to obtain geological information for future drill programs. Highlights of this drilling include:

- 7.32m of 0.23 g/t Au, 43.0 g/t Ag, 1.67 % Pb and 8.38 % Zn in DDH-4J-2012-14.
- 3.05m of 0.305 g/t Au, 53.5 g/t Ag, 1.569 % Pb and 16.18 % Zn in DDH-4J-2012-18.
- 3.05m of 0.399 g/t Au, 295.0 g/t Ag, 1.407 % Pb and 5.415 % Zn in DDH-4J-2012-20.
- 3.05m of 0.65 g/t Au, 53.5 g/t Ag, 3.93 % Pb and 10.89 % Zn in DDH-4J-2012-24.

The drilling tested the east end of a NW trending zone of stratiform antimony-lead-zinc-silver-gold mineralization associated with strong graphite and quartz infusion. Where exposed, trenching in the past has shown massive mineralization consisting of bournonite (copper-lead-antimony sulphide), tetrahedrite (copper-antimony-sulphide), sphalerite (zinc sulphide) and galena (lead sulphide) over 6m of width and 30m of length that is poorly exposed in glacial till. This mineralization is underlain by a strong coincident NW trending EM anomaly at least 700m long indicated by several airborne EM surveys completed by previous operators on the property.

Float boulders carrying bournonite, sphalerite and galena associated with late stage east trending shears have been located along trend of the above EM anomaly for a distance of 300m before being covered by glacial ice. This would indicate the potential for extension of this type of mineralization for at least 300m to the west of the 2012 drilling. West of this mineralization and area of drilling, work by Noranda Exploration located argillite boulders containing native antimony assaying up to 2.84 % Sb.

Results from the last 17 holes follow:

2012 Drill Assay

DDH No.	From (m)	To (m)	Width (m)	Au g/t	Ag g/t	Cu %	Sb %	Pb %	Zn %
4J-13	8.54	11.59	3.05	0.17	16.0	0.004	0.015	0.403	3.77
4J-14	13.41	26.83	13.41	0.19	32.5	0.085	0.103	1.14	6.16
including	13.41	20.73	7.32	0.23	43.0	0.11	0.014	1.67	8.38
4J-15	26.83	29.88	3.05	0.18	38.0	0.09	0.105	1.03	1.77
4J-16	63.41	72.56	9.15	0.06	8.5	0.014	0.02	1.15	1.491
4J-18	1.52	5.49	3.96	0.336	29.0	0.055	0.099	0.799	2.563
and	8.54	17.68	9.15	0.316	38.83	0.125	0.099	1.08	7.353
including	14.63	17.68	3.05	0.305	53.5	0.276	0.001	1.569	16.18
4J-19	2.38	5.18	2.80	0.169	16.0	0.058	0.115	0.431	2.345
and	8.54	17.68	9.15	0.325	23.5	0.106	0.274	0.84	3.91
and	23.78	26.83	3.05	0.150	24.0	0.066	0.075	0.60	1.64
4J-20	17.68	28.83	9.15	0.34	111.83	0.088	0.281	1.04	3.98
including	20.73	23.78	3.05	0.399	295.0	0.092	0.41	1.407	5.415
4J-23	0.91	5.49	4.57	0.255	37.17	0.078	0.21	1.23	2.34
and	14.83	28.73	6.10	0.42	56.5	0.18	0.64	2.73	8.33
4J-24	1.52	26.83	25.30	0.38	27.53	0.081	0.027	1.31	3.34
including	8.54	11.59	3.05	0.65	52.5	0.084	0.63	3.93	10.89

Yellow Chris Property

The Company owns interests in claim blocks located east of the Colorado Resources North ROK property where a hole in 2013 returned 242 metres of 0.63% Cu and 0.85 g/t Au. Based on the strength of this discovery, Teuton was able to option out a block of its Yellow Chris property to Redhill Resources in 2013 in a deal allowing Redhill the right to earn a 50% interest in the block by expending \$4,500,000 over 4 years. Cash payments of \$300,000 (\$75,000 of which has been paid) and share issuances totaling 1,400,000 shares (350,000 shares of which have been received) were also required over the term of the option. Redhill had a further option to earn another 10% of the property by expending an additional \$2,000,000 and making further cash payments totaling \$200,000 and issuing another 350,000 shares. On April 4, 2014 Redhill announced that they were relinquishing the option on this portion of the Yellow Chris property.

Also in 2013, Teuton personnel visited the unoptioned Yellow Chris claims and undertook reconnaissance soil sampling over several areas of interest. Copper results from 240 samples ranged from a few parts per million to a very high, 1002 ppm. Certain claims within the Yellow Chris property package have been allowed to lapse during the intervening years. The Company is awaiting stronger copper prices before resuming work on this property.

Konkin Silver Property

This property is located 29km east of Stewart, British Columbia. Present access is by helicopter. Silver Grail and the Company acquired the Konkin Silver property by staking in 1993-94, as part of a joint acquisition and exploration effort in the region surrounding the Red Mountain gold prospect. Prospecting in 1994 uncovered the central showing, a bow-shaped structure carrying high silver values. Other similar, but smaller zones were found nearby. The Konkin Silver showing was drill-tested by Silver Standard under option the following year, but several short holes failed to encounter high-grade silver mineralization conformable with surface results. The following year the property was returned to the Company and Silver Grail. In 2002 a small program of rock sampling uncovered a new zone of low-grade, but extensive, silver mineralization.

Two silver-bearing structures located during 1994 are mineralized with significant amounts of galena, sphalerite and barite. The largest of these, the "Konkin Silver" zone, consists of carbonate, quartz, barite, galena, sphalerite and rare ruby silver and native silver in a bow-shaped structure spanning 35 metres. High silver values are most closely associated with galena which occurs as fine coatings on fractures, as coarse crystalline blebs and as disseminated grains. Maximum thickness of the feature appears to be in excess of 10 metres. Trenching of the Konkin Silver showing returned values up to 9.0m grading 34.94 oz/ton silver, 2.30% lead and 2.02% zinc.

After a brief property visit in 1998, Ross Sherlock, Ph.D., confirmed that the Konkin Silver prospect was located within a VMS environment.

The Company and Silver Grail acquired by purchase two additional claims within the boundaries of the Konkin Silver property. These claims cover two silver-bearing showings similar to those on the original ground.

An airborne survey conducted in 2005 indicated a number of strong conductors in the vicinity of known silver-bearing showings. In August of 2006, field crews visited the Konkin Silver property to ground truth the airborne anomalies and to prospect zones of ablation in preparation for the selection of targets for a proposed September drill program. A drill program started in late 2006 had to be stopped because of freezing conditions.

During the 2007 field season, the Company and Silver Grail resumed drilling on the Konkin Silver property, targeting the King Konk and Konkin Silver structures. The program was completed and results are presented in the news release on file with SEDAR dated March 5, 2008. In 2008, minor surface sampling was carried out on the property with mixed results. One day was spent on the property by a prospecting crew in 2017, but they were not able to reach the target area due to steepness of the ground..

Leduc Silver--Pearson Properties

This large property, acquired by staking in 2003, surrounds the formerly producing Granduc copper property 40km northwest of Stewart, British Columbia.

The area has been dormant since cessation of mining at Granduc in 1984 but has recently become active again due to the recent strong upsurge in the price of copper. In late 2004, Bell Resources Corp. ("Bell") of Vancouver, BC purchased the Granduc property outright, with plans to re-explore and, if successful, resume production at the mine site.

In 2005, after completing airborne geophysical surveys over its core Granduc property as well as large portions of the Company's surrounding Leduc Silver claims, Bell approached the Company with an offer to option the Leduc Silver. A binding letter of intent was entered into which grants Bell an option to acquire a 60% interest in the Leduc Silver claims for total exploration expenditures of \$1,500,000, total cash payments of \$85,000, and total share payments of 100,000 shares, over the five year term of the option.

Analysis of work to date by Bell and historical records of previous exploration at Granduc strongly suggest that the Granduc copper deposits are "Besshi" type. Such deposits feature concordant massive sulphide sheets a few metres thick (often stacked like pancakes) which can extend for kilometres both along strike and down dip. If this analysis is correct, it has significant implications for the discovery of Granduc-type copper mineralization along strike of the known bodies, both within Bell's core claims and also on ground now controlled by the Company's surrounding Leduc Silver property.

In early August 2006, Bell reported discovery by prospectors of Granduc-type copper mineralization on the Company's Leduc Silver property, north of the historical mine workings. Dubbed the JK zone, this area was sampled and subsequently drilled late in the field season by Bell Resources. Results from this drilling program are detailed in a news release on file with SEDAR dated February 12, 2007.

Bell completed enough work in 2006 to keep the option in good standing through 2007 and into 2008. It is believed that no further work was carried out by Bell on the property during the 2007 field season. During the quarter, Bell made the cash option payment to the Company which was required to keep the option agreement in good standing. Bell recently informed the Company that it did not carry out the work required before the end of 2008 to keep the option in good standing. The Company granted Bell an extension to the end of 2009 to carry out this work.

In late December 2009, the Company revamped its agreement with Bell Copper in regard to the property. Bell was granted a 100% interest in the property in return for making annual payments of \$50,000, being \$25,000 in cash and \$25,000 in shares, payable December 31 of the year. Also, the Company received a 1.5% NSR with no buy-back provisions both in the property and in certain claims that were 100% owned by Bell lying to the north of the Leduc Silver property. During 2010 Bell Copper sold its interest in the core Granduc claims and surrounding Leduc Silver property to Castle Resources. Castle assumed the underlying agreements between Bell and the Company.

Castle conducted large drill programs on the core claims in 2010 and 2011, resulting in the definition of several stacked layers of copper-bearing sulfides. Further drilling has taken place in 2012. Preliminary assays indicate that the stacked layers of copper-bearing sulfides continue with good strength in the South zone area. Due to adverse market conditions, little to no work has been carried out on the property in succeeding years.

Castle has now returned the complete claim package due to Teuton including the original Leduc Silver claims as well as the Pearson 1-4 claims located to the northeast. In August of 2016 Castle turned over data to Teuton regarding a 2km long geophysical anomaly located on the Pearson claims. This data was assessed by Teuton's geophysicist, Kevin Killin, who delivered a report outlining potential drill targets.

In 2017, Company personnel prospected the Pearson claims and also the Mach 3 claim adjoining to the north. This work concentrated on two areas. The first was an area where extensive green copper stains were apparent in cliff faces, close to a large geophysical anomaly discovered in 2010 during an airborne survey. Malachite and magnetite bearing samples taken from float found directly below the cliff faces averaged 1.63% copper and >15% iron. The character of the rock and the grades suggest that Granduc-type Besshi mineralization occurs in the cliff faces. Various grab samples taken from other structures identified on

the Pearson claims, mostly either quartz veins or diorite, ranged from trace to 8.57% copper, trace to 0.07% cobalt, trace to 16.7% zinc, trace to 29.2% lead, trace to 451 g/t silver, and trace to 12.7 g/t gold.

On the Pearson North (Mach 3 claims), Teuton personnel discovered a zone which contained multiple occurrences of malachite and azurite. Many vein samples were taken from carbonate altered areas found mostly within the malachite rich zone which ran trace to 7.06% copper, 0.2 to 321 g/t silver and 0.05 to 68.69 g/t gold (2.01 oz/ton gold).

Bonsai Property

The Bonsai property adjoins directly to the west of the Eskay Creek mine property of Barrick Gold and is 100% owned by the Company. In 2002, the property was optioned to Glenfred Holdings, a private company later totally acquired by Heritage Explorations Ltd., a TSX-Venture Exchange listed company. Under the terms of the option agreement, Heritage can earn a 50% interest in the property by carrying out an aggregate of \$750,000 exploration and paying an aggregate of \$75,000 in option payments over a four year term. During the period the agreement was amended so that Heritage would be required to spend \$1,250,000 rather than \$750,000 to earn its interest.

A geological report by Heritage's qualified person, G.E. Bidwell, and A.W. Worth, detailing results of work completed by Heritage in 2003, has been received by the Company. The report states: "Drilling at Bonsai in 2003 has intersected significant low grade gold/silver mineralization in pyritic rhyolite breccia, beneath the main gossan outcrop. The mineralized zone is open at depth and to the south and represents an excellent target for future exploration". This hole returned a 64 metre intersection of brecciated rhyolite containing 0.38 g/t gold and 27.08 g/t silver.

The following year Heritage informed the Company that it had drilled an additional hole to test the strike extension of this zone. On November 5, 2004 Heritage reported results from this hole: a 10m interval from 92 to 102m returned 0.24 g/t gold and 14.24 g/t silver; a further 18.0 interval from 122 to 140 m returned 0.17 g/t gold and 15.31 g/t silver.

Heritage did not make a \$25,000 option payment due in March, 2005, and a director of Heritage verbally informed the President of the Company that Heritage did not intend to continue with the Bonsai option. Thereafter Heritage received airborne geophysical results showing a strong anomaly in the western portion of the Bonsai property. The anomaly was interpreted to have a strike extent of at least 600 metres, a down dip extent of at least 100 metres, and to be approximately 50 metres thick. Negotiations to reinstate the option agreement with Heritage were initiated and led to a new option agreement (see news release dated September 2, 2005 for full details). Under the terms of the new agreement, Heritage had the right to earn a 50% interest in the Bonsai by spending \$2,400,000 on the property prior to 2009 (with credit given to dollar amounts already spent under the previous agreement).

Subsequent to the signing of the agreement, Heritage carried out a diamond drilling program on the Bonsai property. None of the 4 holes completed during this program intersected significant mineralization according to a cursory report given to the Company. In March of 2006, Heritage informed the Company that it would not be proceeding with the option on the Bonsai property.

The Company subsequently optioned out the property to Copper Creek Ventures, per News Release dated November 9, 2009, on file with Sedar. In 2010, Copper Creek carried out a geophysical survey over the Heritage west anomaly and outlined a strong conductor. An MMI geochemical survey was commissioned which produced a Cu-Zn anomaly coincident with the conductor, along with several discrete gold-silver anomalies along the axis of the anomaly. Over ten holes were drilled into various targets along the conductor. Results from these holes were reported by Copper Creek and were uniformly low.

In 2011, Copper Creek carried out additional geochemical programs and further drilling in the vicinity of the hole which ran 64 metres of anomalous gold and silver mineralization. Copper Creek reported results from the 2011 drilling which confirm and partially extend results obtained in previous programs.

The Company received notice from Copper Creek in 2014 that it will not continue with the option. In the interim certain of the Bonsai claims have been allowed to expire, however, the Company has retained core claims upon which the bulk of the previously discovered mineralization is located.

Harry Property

The Harry property consists of two claims situated due west of the Dilworth property of Ascot Resources. A rock geochem survey was carried out in 2008 along the old Granduc road situated on the Harry property just west of the boundary with the Dilworth claims. The last part of the rock geochem line returned highly anomalous gold values ranging from 150 to 5,000 ppb gold. Follow up work was carried out in 2009 along the Salmon River Glacier. A long geochemical line from which 75 talus fine samples were taken returned multiple anomalous values in arsenic and gold.

Follow-up surveying was carried out in 2010, south of the geochemical line. During this survey a train of massive sulfide float boulders, containing galena and pyrite, was discovered. Late in the season the Company received a permit to drill the property. Four holes were put in atop a gossanous bluff. Two of the holes returned anomalous gold values.

Further geochemical sampling was planned for 2011 but due to time constraints was not carried out. Work on the property has now been deferred until market conditions improve. The promising gold discoveries on Ascot's adjoining Dilworth Premier claims have increased the potential for a prospect generator farm-in opportunity for this 100%-owned property.

Stamp Property

The Company owns 3 claims lying southeast of Mountain Boy's BA property. In late March of 2010 the Company optioned a 50% interest in the Stamp property to Decade Minerals, a TSX-V listed company. Decade can earn its 50% interest by spending \$1.5 million and paying \$110,000 cash to Teuton over the 4 year term of the option. Full details are available in the March 25, 2010 posting on sedar.com.

Decade relinquished the option on the property in 2015. This 100%-owned Teuton property is available for a prospect generator farm-in opportunity.

Bay Silver Property

The Bay Silver property controls the old United Empire mine from which limited production of high-grade silver was seen in the 1920's. Ore from the mine was shipped to the valley floor below by way of a tramline, portions of which still remain on the property.

The property contains numerous silver-rich showings some of them developed by hundreds of feet of tunnels. In 1983 and 1984, high-grade ore was trenched from silver-lead-zinc veins, first explored in 1919. The No. 4 zone consists of a 1.2-metre-wide vein which strikes northeast and dips 20 degrees southeast. The vein contains 0.6 metres of massive galena, sphalerite and tetrahedrite in the hangingwall and 0.6 metres of quartz with disseminated sulphides in the footwall.

In previous assessment reports, a 0.61-metre chip sample across the vein assayed two grams per tonne gold, 8679.7 grams per tonne silver, 20.3 per cent lead and 20.2 per cent zinc. The No. 3 zone is reported as being located about 100 metres south of the No. 4 zone. This shear zone contains long lenses of quartz mineralized with pyrite, pyrrhotite, galena and sphalerite. These lenses are up to 1.8 metres wide associated with a stockwork of sulphide stringers and are hosted in schist which has a strike of 150 degrees.

The lower showings, 300 metres east of the No. 4 zone, consist of two quartz-sulphide veins. The southernmost vein lies along the contact between a large granodiorite dike on the east and hornfelsed argillite to the west. The vein contains lenses of pyrrhotite, sphalerite, galena and tetrahedrite in a gangue of quartz. In a previous assessment report a 0.91-metre chip sample across the vein assayed 42.30 grams per tonne gold and 1,273 grams per tonne silver. A second vein 120 metres to the north assayed 15.96 grams per tonne gold and 2,268 grams per tonne silver over a narrow width.

The property, jointly owned with Silver Grail Resources Ltd., has been optioned out to Decade Resources Ltd. Under the terms of the agreement, Decade can earn a 100% interest in the claims by paying a total of \$120,000 to Teuton and Silver Grail over a four year term. Teuton and Silver Grail will retain a 2% Net Smelter Royalty. An annual advance royalty of \$25,000, indexed to inflation, is payable to Teuton and Silver Grail upon completion of the option payments.

Decade drilled the Prince John copper-gold prospect in 2011, situated in the northern half of the Bay

Silver property. The portion drilled, however, was not on property owned by Teuton-Silver Grail.

Decade relinquished the option on the property in 2015. In 2017, a rock geochemical traverse was run over a portion of the property but did not return any significant results. his 50-50%-owned Teuton-Silver Grail property is available for a prospect generator farm-in opportunity.

Lord Nelson Property

The Lord Nelson claims lie between the Poly property of Geofine Explorations (under option to Frontline Gold Inc.) and the large Del Norte property of Sabina Gold & Silver Corp. and Teuton Resources. Very little work has been done on the claims to date but they are considered prospective for VMS style mineralization and vein-type gold-silver mineralization as indicated on the Del Norte property.

The 100% owned property has been optioned out to Geofine Explorations (GFX) under terms whereby GFX can earn a 100% interest in the Lord Nelson claims by paying \$210,000 (or \$185,000 and a share issuance with a cash value of \$25,000) over the five year term of the option. It must also perform \$1,200,000 of exploration work over this period.

In late 2015 the terms of the agreement with GFX were amended. The time to carry out the remaining exploration work has been extended to Nov. 1, 2019. Cash payment deadlines were also extended varying from 2016 to 2019. Teuton will retain a 2% NSR after the earn-in with no buyback, and also be entitled to a yearly advance royalty payment of \$50,000. In 2016 the agreement with GFX was assigned to Millrock Resources Inc.

Tonga-Fiji Property

The Company and Silver Grail jointly own the Tonga-Fiji property situated 24km north of Alice Arm, British Columbia.

In 2005, a helicopter airborne EM-Mag survey was commissioned over the Tonga property, as a precursor to diamond drilling. Due to inclement weather, this survey was postponed until early January- February of 2006 and is now complete. Results showed a large zone of anomalous EM responses that is coincident with silver and molybdenum geochemical anomalies obtained in earlier soil, silt and talus fine surveys.

In September 2006, a drilling program was started on the Tonga property and completed in early October 2006. Seven holes were drilled at various sites, testing geochemical and geophysical targets. Results are detailed in a news release dated January 16, 2007, on file with SEDAR.

To the north of the Tonga, on the adjoining Fiji property surface prospecting in 2006 disclosed two promising zones containing gold and silver mineralization. This area was tested by drilling in 2007. Assay results were received and are detailed in the news release on file with SEDAR dated March 5, 2008.

No further work has been done on the property in the interim. However, Homestake Resources (formerly Bravo Gold), owners of the adjoining Homestake property, continue to add tonnage to the resource on the two deposits occurring east of the common boundary between the Fiji and Homestake properties. In 2012, Homestake reported discovery of a new zone which lies only a few hundred meters east of the common boundary. This new zone was drilled by Homestake in 2012 with positive results. Homestake recently announced an increase in its gold and silver resources on the property.

This 50-50%-owned Teuton-Silver Grail property is available for a prospect generator farm-in opportunity.

Catspaw Property

The Catspaw property is 100% owned by the Company and is situated 40km northwest of Stewart, BC.

On November 28, 2004 Serengeti and Rimfire announced assays from two samples of a 0.50 metre wide vein found within the limits of a 600 x 450 metre greater than 90 ppb gold-in-soil anomaly on their Tide property adjoining due south of the Catspaw property. The two samples, located 2 metres apart, assayed 593 g/t (17 oz/ton) gold and 14,708 g/t (429 oz/ton) silver and 360 g/t (10 oz/ton) gold and 7,920 g/t (231 oz/ton) silver. As described by Serengeti and Rimfire, the zone strikes northwest and lies within 500m of the southern

boundary of the Catspaw claim.

Similar quartz-pyrite-arsenopyrite vein-hosted mineralization has been located along trend within the boundaries of the Catspaw claim. In 1990, while the Catspaw was under option to Big. I Developments Ltd., a 2.0 metre sample across a north-west trending vein near the southern boundary assayed 0.223 oz/ton gold and 132.46 oz/ton silver. The Company currently owns a 100% interest in the property.

During the first quarter of 2006, the Company completed a geophysical airborne survey over the Catspaw property which disclosed some anomalous zones worthy of follow-up exploration. Due to time constraints, these areas were not investigated in 2006 or 2007.

The claims have become more prospective because of the recent discovery of exceptionally high-grade gold and silver mineralization on the adjoining Electrum property of American Creek Resources. This 100%-owned Teuton property is available for a prospect generator farm-in opportunity.

Silver Crown 6 Property

The Company, jointly with Silver Grail Resources Ltd., owns the Silver Crown 6 claim (Tenure #508269). A 100% interest in the claim was optioned to Decade Resources in 2006, by paying \$100,000 in cash (paid), issuing 300,000 shares (issued) and carrying out \$1.5 million of work (not yet complete, but extensions were granted). The property lies north of and adjoins Decade's Red Cliff claims where drilling has encountered several high-grade gold and gold-copper intervals.

Work by Decade appears to have established continuity of the mineralized system hosting the Red Cliff zones onto the Silver Crown 6 property. In 2016, Decade personnel took out heavy sediment stream samples from the Silver Crown 6 claim all of which returned anomalous to highly anomalous values in gold. Option work commitment requirements have been extended to the end of 2017.

Horatio Property

This 100%-owned Teuton property is located between Teuton's Del Norte property and the Willoughby property recently acquired by Millrock Resources. Very high-grade gold and silver mineralization in massive sulfides was discovered in 2003 in a steep location from what appeared to be lensoidal bodies. An unsuccessful attempt was made to drill the discovery area late in the season. The property has lain dormant in succeeding years but due to renewed activity in the general region it deserves a fresh look. It is available for a prospect generator farm-in opportunity.

New Westminster Mining Division Properties

Harrison Lake Property

The Company acquired by staking in 2001 the Roman claims on Talc Creek, east of Harrison Lake, about 100km east of Vancouver, British Columbia. The Roman property was optioned in 2001 to Leader Mining International Inc. ("LMN"). According to the option agreement, LMN was to earn a 51% interest in the property by spending \$500,000 over a four year period, paying \$10,000 upon signing (paid) and a further \$40,000 along with 100,000 common shares of LMN upon vesting of the option, after which further work would proceed as a joint venture. The Roman property covers part of the west-central portion of a 10km long ultramafic intrusive body, known from surface sampling and diamond drilling to contain magnesium (Mg). LMN reported completion of a feasibility report on the viability of a magnesium processing facility utilizing feedstock from its Emory Zone, located east of the Roman claims on ground 100% owned by LMN. Because of a lack of exploration work beyond the first year, the Company requested the claims be returned by Leader Mining. Leader complied with this request, so that a 100% interest in the claims has reverted to the Company.

Subsequent to the return of the property, the Company carried out a small soil geochemical sampling program on the Roman property. This program outlined an area strongly anomalous in nickel and cobalt. A follow-up airborne geophysical survey has been completed, disclosing several discrete EM anomalies.

A crew was dispatched to the property to undertake more geochemical sampling in the first week of June 2010. Results showed a continuation of nickel anomalies to the east of the area previously sampled. Some of the nickel values were the highest yet obtained on the property (0.25 to 0.29%).

In 2011, the property was merged with the adjoining Andy claims held by Silver Grail Resources, with the combined property now 50% owned by Teuton and Silver Grail. A 3D IP survey was conducted over the nickel soil geochem anomalies. Results indicate three areas of chargeability. No further work was done since 2012.

RESULTS OF OPERATIONS

For three month period ended September 30, 2017 compared to three month period ended September 30, 2016:

Net loss for the quarter was \$12,601 (\$0.00 per share) versus net loss of \$203,347 (\$0.02 per share) for the comparable quarter in 2016. Administrative expenses were almost identical between the quarters in the two financial years, \$48,435 as opposed to \$48,035. The higher net loss in the 2016 quarter was primarily due to a large unrealized loss on marketable securities (that was somewhat offset by income received from option payments).

For nine month period ended September 30, 2017 compared to nine month period ended September 30, 2016:

Net loss for the nine month period ended September 30, 2017 was \$57,037, as compared to a net income of \$1,057,571 during the comparable period in 2016. This largely due to the difference in option proceeds in excess of capitalized costs quarter for the two quarters.

SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	September 30, 2017 \$	June 30, 2017 \$	March 31, 2017 \$	December 31, 2016 \$
Total revenues	–	–	–	–
Net income (loss)	\$12,601	52,698	(77,809)	1,170,679
Net earnings (loss) per share – basic and diluted	–	--	--	0.04

	September 30, 2016 \$	June 30, 2016 \$	March 31, 2016 \$	December 31, 2015 \$
Total revenues	–	–	–	–
Net loss	449,465	990,510	77,862	(178,852)
Net loss per share – basic and diluted	0.02	0.04	--	(0.01)

Administrative expenses were largely the same between the quarters ended September 30, 2017 and 2016 (as discussed in the preceding section entitled Results of Operations).

Other than these quarters, net losses ranging from \$70,000 to \$220,000 were the norm, representing, for the most part, administrative expenses. Higher administrative costs are generally associated with increased exploration activity and/or expenses arising from litigation.

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2017 the Company had cash of \$426,890 compared to \$98,622 as at December 31, 2016. As at September 30, 2017, the Company had working capital of \$1,196,847 compared to working capital of \$897,557 as at December 31, 2016.

Improvements in working capital over the past two years have arisen from the substantial options payments

received from Pretium Resources Inc. (pursuant to the option of the King Tut, Tuck, and Silver Crown West properties) and from Tudor Gold Corp. (pursuant to the option of the Delta, High North, Fairweather and Orion properties including shares gained through the signing of a joint venture agreement on the Treaty Creek property), and also a de-recognition of accounts payable. Working capital was also helped during 2016 by the completion of a private placement and the exercise of warrants, both together raising \$360,450.

The Company anticipates it may need additional capital in the near future to finance ongoing exploration of its properties, such capital to derive from the exercise of outstanding warrants and stock options, sale of company assets, the completion of further private placements and proceeds from option payments.

Nine months ended September 30, 2017 compared to the nine months ended September 30, 2016:

Operating Activities

For the nine months ended September 30, 2017, the Company's operating activities used \$118,960 of cash compared to \$90,347 of cash used in operating activities for the nine months ended September 30, 2016.

Investing Activities

For the nine months ended September 30, 2017, the Company was provided net \$371,298 in investing activities compared to net \$55,403 in investing activities in the comparable period in 2016. Exploration and evaluation asset expenditures were \$192,767 during the nine months ended September 30, 2017 as compared to \$665,693 in the comparable period in 2016. Mineral property option payments received/cost recoveries provided cash of \$580,000 in the nine months ended September 30, 2017 compared to \$686,112 for the comparable period in 2016. In the nine months ended September 30, 2017, the Company used \$15,935 in the purchase of property and equipment compared to \$130,208 in the comparable period in 2016. In the nine months ended September 30, 2017, the Company recovered \$nil for reclamation bonds compared to \$8,500 in the comparable period in 2016. In the nine months ended September 30, 2017, the Company gained \$nil from sale of assets held for sale compared to \$10,907 in the comparable period in 2016. In the nine months ended September 30, 2017 the Company gained \$Nil from the sale of property and equipment compared to \$145,785 in the comparable period in 2016.

Financing activities

During the nine months ended September 30, 2017 the Company was provided with \$75,930 from proceeds from shares issued/share subscriptions received compared to \$346,950 in the comparable period in 2016.

Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash, marketable securities, and equity comprised of issued capital and share-based payment reserve.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended December 31, 2016.

OFF BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements to which the Company is committed.

TRANSACTIONS WITH RELATED PARTIES

- (a) For the nine months ended September 30, 2017, the Company incurred salary of \$87,735 (2016 - \$75,600) to the President of the Company, Dino Cremonese, P.Eng; the Company incurred office, rent and telephone expenses of \$10,350 (2016 - \$10,350 to the President of the Company. The Company incurred engineering fees of \$24,000 (2016-\$36,000) to the President.

- (b) As at September 30, 2017, the amount of \$32,935 (December 31, 2016 – \$44,676) was owed to the President of the Company, D. Cremonese, P.Eng. which is non-interest bearing, unsecured and due on demand.
- (c) As at September 30, 2017, the Company owns 207,932 common shares in Silver Grail with a fair value of \$20,793 (December 31, 2016 - \$12,476). The Company carries on joint exploration activity with Silver Grail, a company having directors in common with the Company, and has done so for the past 29 years. Over the past 20 years, a balance has been owed from Silver Grail to the Company or from the Company to Silver Grail (for 13 of those 20 years the balance was owed from the Company to Silver Grail). As at March 31, 2017, the amount of \$264,439 (December 31, 2016 – \$287,025) was owed from Silver Grail, which is non-interest bearing and due on demand. The balance owing is expected to be paid back or substantially reduced from the proceeds of future private placements carried out by Silver Grail and/or future exploration work financed wholly by Silver Grail on mineral properties jointly owned with the Company. The balance owing is secured by Teuton's ownership of 100% of the legal interest of the many properties held jointly between Silver Grail and Teuton.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's statement of financial position as of September 30, 2017 as follows:

	Fair Value Measurements Using			September 30, 2017 \$
	Quoted Prices in Active Markets For Identical Instruments (Level 1) \$	Significant Other Observable Inputs (Level 2) \$	Significant Unobservable Inputs (Level 3) \$	
Assets:				
Cash	426,890	–	–	426,890
Marketable securities	813,610	–	–	813,610
Total assets measured at fair value	1,240,500	–	–	1,240,500

The fair values of other financial instruments, which include amounts receivable, amounts due to/from related parties, and accounts payable and accrued liabilities, approximate their carrying values due to the relatively short-term maturity of these instruments.

Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash, marketable securities and amounts receivable. The Company limits its exposure to credit loss by placing its cash and marketable securities with high credit quality financial institutions. Deposits held with these institutions may exceed the amount of insurance provided on such deposits. Amounts receivable consists of BC mineral exploration tax credits and GST receivable due from the Government of Canada. The carrying amount of financial assets represents the maximum credit exposure.

Foreign Exchange Rate and Interest Rate Risk

The Company is not exposed to any significant foreign exchange rate or interest rate risk.

Liquidity

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise

capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

Accounting Standards Issued But Not Yet Effective

A number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended September 30, 2017, and have not been applied in preparing these financial statements.

New standard IFRS 9, "Financial Instruments"

Amendments to IFRS 2, "Share-based Payment"

The Company has not early adopted these revised standards and is currently assessing the impact that these standards will have on the Company's financial statements. Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

LEGAL PROCEEDINGS

The Company is not involved in any legal proceedings.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

An analysis of material components of the Company's general and administrative expenses is disclosed in the unaudited financial statements for the three months ended September 30, 2017. An analysis of material components of the Company's exploration and evaluation assets is disclosed in the unaudited financial statements for the three months ended September 30, 2017 to which this MD&A relates, supplemented by the following:

In the three months ended September 30, 2017, the Company expended \$192,767 on mineral property expenditures and acquisition costs.

DISCLOSURE OF OUTSTANDING SHARE DATA

Share Capital

As at November 29, 2017, there are 31,430,881 shares issued and outstanding.

Share Purchase Warrants

As at November 29, 2017, the following share purchase warrants are outstanding.

Number of warrants outstanding	Exercise price \$	Expiry date
2,000,000	0.08	April 15, 2018
5,636,000	0.065	April 21, 2018
350,000	0.07	July 31, 2018
<u>7,986,000</u>		

Stock Options

As at November 29, 2017, there were no stock options outstanding.

SUBSEQUENT EVENTS

There are no subsequent events of note.

OTHER

Additional information relating to the Company's operations and activities can be found by visiting the Company's website at www.teuton.com and by accessing the Company's news releases and filings on SEDAR at www.sedar.com.

TEUTON RESOURCES CORP.

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Alexandra Cremonese, *Toronto, Ontario*

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Trading Symbol

“TUO” (TSX Venture Exchange)
“TFE” (Frankfurt Stock Exchange)