

Tintina Mines Limited

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2016

Prepared by:

TINTINA MINES LIMITED

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Toronto, Ontario, M5C 1P1

Introduction

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Tintina Mines Limited ("Tintina" or the "Company" or the "Corporation") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended December 31, 2016. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited annual financial statements of the Company for the fiscal years ended December 31, 2016 and 2015, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"). In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. Information contained herein is presented as at April 24, 2017, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Tintina common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Corporation and its operations can be obtained from the offices of the Corporation or on SEDAR at www.sedar.com.

Special Note Regarding Forward-Looking Information

Certain statements contained in this MD&A and in certain documents incorporated by reference in this MD&A, constitute forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Corporation's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of (i) this MD&A or (ii) as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-looking statements	Assumptions	Risk factors
The Company will be able to continue its business activities.	The Company has anticipated all material costs and the operating activities of the Company, and such costs and activities will be consistent	Unforeseen costs to the Company will arise; any particular operating cost increase or decrease from the date of the estimation; and the

	with the Company's current expectations; the Company will be able to obtain funding when required.	Significant Shareholder not being able to provide funding when required or on acceptable terms.
The Company will be able to carry out anticipated business plans.	The operating activities of the Company for the twelve months ending December 31, 2017, will be consistent with the Company's current expectations.	Sufficient funds not being available; increases in costs; the Company may be unable to retain key personnel; government regulations will change in a negative manner towards exploration activities for junior mining companies.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond Tintina's ability to predict or control. Please also make reference to those risk factors referenced in the "Risk Factors" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Tintina's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Corporation undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Corporation does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Description of Business

Tintina is engaged in the evaluation, acquisition and exploration of base mineral properties in Canada, with the intent of developing and placing the properties into production, if commercially feasible. Tintina was incorporated on December 6, 1961 under the laws of Canada and its registered office is 82 Richmond St. East, Toronto, Ontario, M5C 1P1.

The Company's principal asset is its interest in the Red Mountain molybdenum deposit in the Whitehorse Mining district in Yukon.

Whitehorse Mining District Property

The Red Mountain molybdenum deposit, which has undergone an extensive drill program of approximately 21,000 metres, which was undertaken by its former owner, Amoco Petroleum, has total inferred resources of 187.3 million tonnes grading 0.167% MoS₂ (using a 0.10% MoS₂ cutoff), including 21.3 million tonnes grading 0.293% MoS₂ (using a 0.25% cut-off) within a high-grade core of the deposit, as calculated by D.W. Asbury.

Although these resources are not considered to be NI 43-101 compliant as they were calculated prior to the implementation of current reporting rules and have not yet been recalculated, they are considered reliable given the prominent reputation of the author.

During 2011, the Company completed a 64 km access road to Red Mountain. The road was completed at a cost of approximately \$5 million, funded through a loan agreement from the Company's principal shareholder. The loan is presently unsecured, non-interest bearing and non-convertible.

In 2012, the Company conducted geotechnical, hydrogeological and geological drilling as well as surface environmental studies to support permitting that would be required for advanced underground exploration, at an aggregate cost of approximately \$3.3 million. As of the end of the year ended December 31, 2012, the Company had completed approximately 2,800 meters of drilling. During 2012, the Company continued with environmental monitoring and other required data gathering activities to support advanced exploration planning and the permitting process.

During 2013, a preliminary hydrogeological baseline study from the 2012 work program was delivered to the Company. The Company's work in 2013 was comprised principally of on-going environmental monitoring studies and data gathering activities, at a total cost of approximately \$569,000, primarily attributable to in-field consulting work and transportation in the off-season by helicopter.

No significant activities were undertaken during the year ended December 31, 2014 due to sustained and weakening commodity prices. The Company has deferred any further activities at Red Mountain and will only complete activities required for the care and maintenance of the access road and exploration site until economic conditions improve.

The cores from the 2012 drill program were delivered for assaying to Aurora Geosciences in Whitehorse Yukon in late 2014. The results from two holes of confirmation drilling are being analyzed against historical findings. Initial visual estimates of Mo correlated fairly well with assays. The detection of higher concentrations of molybdenum in the holes at depth is generally consistent with the historical findings which were considered reliable. A detailed analysis and report will be released upon availability.

No significant activities were undertaken during 2015 or 2016.

All operating expenses have been, and are continuing to be funded through an interest free loan from the Significant Shareholder.

Operational Highlights

Corporate

During the year ended December 31, 2016, the Corporation received a loan of \$200,000 in the form of a demand promissory note ("Promissory Note") from the Significant Shareholder.

The Company borrowed \$100,000 from NSR Resources Inc. ("NSR") a company with which the Company shares certain officers and directors. As of December 31, 2016, the Company has fully repaid the amount.

On October 28, 2016, the Corporation appointed Mr. Jing Peng of Marrelli Support Services Inc. of Toronto as Chief Financial Officer ("CFO"), who succeeded Mr. Rishi Tibriwal in this role, effective immediately (See "Subsequent Events" section below)

Trends

Management regularly monitors economic conditions and estimates their impact on the Corporation's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. During fiscal 2016 and to the date of this MD&A, equity markets in Canada showed signs of

improvement, with equities increasing significantly during this period. Strong equity markets are favourable conditions for completing a financing, public merger or acquisition transaction.

Apart from these and the risk factors noted under the heading "Risk Factors" and "Special Note Regarding Forward-Looking Information", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Corporation's business, financial condition or results of operations.

Summary of Quarterly Results

The Company's quarterly information in the table below is prepared in accordance with IFRS.

Three Months Ended	Total Revenue (\$)	Profit or Loss		Total Assets (\$)
		Total (\$)	Per Share (\$) ⁽¹⁾⁽²⁾	
December 31, 2016	-	(130,071)	(0.00)	74,023
September 30, 2016	-	(41,307)	(0.00)	267,010
June 30, 2016	-	(55,599)	(0.00)	62,960
March 31, 2016	34,100	7,015	0.00	100,997
December 31, 2015	23,360	(21,532)	(0.00)	42,436
September 30, 2015	-	(42,284)	(0.00)	46,393
June 30, 2015	-	(27,699)	(0.00)	68,182
March 31, 2015	-	(19,935)	(0.00)	38,877

(1) Basic and diluted per share basis.

(2) Per share amounts are rounded to the nearest cent, therefore aggregating quarterly amounts may not reconcile to year-to-date per share amounts.

Capital Management

The Company defines capital that it manages as its shareholders' deficiency. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company in order to support the acquisition, exploration and development of resource assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company considers its capital to be total shareholders' deficiency, comprising common shares, contributed surplus and deficit which at December 31, 2016, totalled \$(11,809,338) (December 31, 2015 - \$(11,589,376)).

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing and debt advances from its Significant Shareholder to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it is of the view that there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the size of the Company, is reasonable.

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Dated – April 24, 2017

Management is of the opinion that, subject to continuing to be able to raise equity and debt financing in the future, the Company will be able to maintain the status of its current exploration obligations and to keep its properties in good standing.

There were no changes in the Company's approach to capital management during the period. The Company is not subject to externally imposed capital requirements.

The Corporation is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the TSX Venture Exchange which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of December 31, 2016, the Corporation was compliant with known requirements other than Policy 2.5 of the TSX Venture Exchange. The Company continues to evaluate various options in order to meet the capital requirement imposed by Policy 2.5 of TSX Venture Exchange. There can be no assurance that the Company's financing activities will be successful or sufficient.

Off-Balance-Sheet Arrangements

As of the date of this MD&A, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

Proposed Transactions

As of the date of this MD&A, no proposed transaction has been approved by the Board of Directors.

Selected Annual Financial Information

The following is selected financial data derived from the audited consolidated financial statements of the Company at December 31, 2016, 2015 and 2014.

	Year ended December 31, 2016	Year ended December 31, 2015	Year ended December 31, 2014
Net loss	\$ (219,962)	\$ (111,450)	\$ (418,831)
Net loss per share (basic and diluted)	\$ (0.01)	\$ (0.00)	\$ (0.02)
	As at December 31, 2016	As at December 31, 2015	As at December 31, 2014
Total assets	\$74,023	\$42,436	\$53,476

- The net loss for the year ended December 31, 2016 consisted primarily of (i) care and maintenance for the exploration and evaluation assets of \$82,439; (ii) legal and professional fees

of \$60,395; (iii) compensation of \$46,448; and (iv) rent of \$28,022; offset by (v) interest and sundry income of \$34,100;

- The net loss for the year ended December 31, 2015 consisted primarily of (i) compensation of \$32,453; (ii) legal and professional fees of \$23,145; (iii) insurance of \$26,300; and (iv) rent of \$25,686; offset by (v) interest and sundry income of \$23,360;
- The net loss for the year ended December 31, 2014 consisted primarily of (i) exploration expenditure of \$137,104; (ii) depreciation of \$131,946; (iii) compensation of \$56,345; (iv) legal and professional fees of \$29,029; (v) rent of \$26,039; and (vi) insurance of \$24,032;

Discussion of Operations

Twelve months ended December 31, 2016, compared to the twelve months ended December 31, 2015

The Company's net loss totalled \$219,962 for the twelve months ended December 31, 2016, with basic and diluted loss per share of \$0.01. This compares with a net loss of \$111,450 with basic and diluted loss per share of \$0.00 for the twelve months ended December 31, 2015.

Net loss for twelve months ended December 31, 2016 principally related to care and maintenance of exploration and evaluation assets of \$82,439, depreciation of \$4,860, compensation of \$46,448, legal and professional fees of \$60,395, rent of \$28,022, insurance of \$11,880, listing and compliance costs of \$14,954, government fees and claim renewals of \$4,696 and general administration of \$368 offset by interest and sundry income of \$34,100. Net loss for twelve months ended December 31, 2015 principally related to care and maintenance of exploration and evaluation assets of \$8,568, depreciation of \$4,860, compensation of \$32,453, legal and professional fees of \$23,145, rent of \$25,686, insurance of \$26,300, listing and compliance costs of \$11,133, government fees and claim renewal of \$2,179 and general administration of \$486 offset by interest and sundry income of \$23,360.

Three months ended December 31, 2016, compared to the three months ended December 31, 2015

The Company's net loss totalled \$130,071 for the three months ended December 31, 2016, with basic and diluted loss per share of \$0.00. This compares with a net loss of \$21,531 with basic and diluted loss per share of \$0.00 for the three months ended December 31, 2015.

Net loss for three months ended December 31, 2016 principally related to care and maintenance of exploration and evaluation assets of \$79,177, depreciation of \$1,215, compensation of \$17,700, legal and professional fees of \$22,398, rent of \$6,530, listing and compliance costs of \$643, government fees and claim renewals of \$2,322 and general administration of \$86. Net loss for three months ended December 31, 2015 principally related to care and maintenance of exploration and evaluation assets of \$8,568, depreciation of \$1,215, compensation of \$11,326, legal and professional fees of \$18,745, rent of \$4,777, listing and compliance costs of \$627, government fees and claim renewal of \$1 and general administration of (\$368) offset by interest and sundry income of \$23,360.

Liquidity and Financial Position

Liquidity and Financial Position

As at December 31, 2016, total assets are \$74,023 (December 31, 2015 - \$42,436) which include cash of \$58,558 (December 31, 2015 - \$15,572) and accounts receivable, prepaid expenses and other of \$15,410 (December 31, 2015 - \$21,949), and non-current assets of \$55 (December 31, 2015 - \$4,915).

Non-current assets consist of office and exploration equipment of \$51, investment available-for-sale of \$1 and exploration and evaluation assets of \$3.

As at December 31, 2016, the Company had a working capital deficiency of \$11,426,030 (December 31, 2015 - \$11,210,928) which included a liability of \$11,421,485 (December 31, 2015 - \$11,221,485) under its Loan Agreement and Grid Promissory Note due to Mr. Juan E. Rassmuss, the Company's controlling shareholder, who died on March 26, 2016. The Company has also incurred net loss of \$219,962 (year ended December 31, 2015 – \$111,450) during the year ended December 31, 2016 and has yet to achieve profitable operations, thereby accumulating a deficit of \$22,518,757 (December 31, 2015 - \$22,298,795). These continuing losses cast significant doubt about the Company's ability to continue as a going concern. Accordingly, the Company will need to raise additional capital through equity issuance or through its significant shareholder in order to continue its operating, exploration and evaluation activities or eventual development of its properties. The Company's sole source of funding since 2000 has been through cash advances from its controlling shareholder. Given the concentration of the Company's ownership in its controlling shareholder, its current working capital deficiency and continued weak commodity prices, the Company has little prospect of refinancing or continued solvency should the current outstanding Grid Promissory Notes be called for payment in the future.

The Company continues to investigate options to advance its geological and economic models while minimizing its environmental footprint.

Cash Flows

At December 31, 2016, the Corporation had cash of \$58,558. The increase in cash of \$42,986 from the December 31, 2015 cash balance of \$15,572 was as a result of cash outflow from operating activities of \$157,014 and cash inflow from financing activities of \$200,000. Operating activities were affected by adjustments of \$4,860 for depreciation and net change in non-cash working capital balances of \$58,088 because of an increase in accounts receivable, prepaid expenses and other of \$6,539, an increase in accounts payable and accrued liabilities of \$52,356 and a decrease of income taxes payable of \$807.

Related Party Transactions

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's President, Vice-president, and Secretary-Treasurer and members of the Company's Board of Directors.

Compensation awarded to key management personnel is as follows:

The Company paid \$10,800 for the year ended December 31, 2016 (2015 - \$4,950) to a company owned by the former Chief Executive Officer and director of the Company for executive management services. As of December 31, 2016, there was a balance of \$2,700 in accrued liabilities (2015 - \$nil).

The Company paid \$82,440 (2015 - \$23,360) to a company owned by the Vice-President of the Company for exploration and management services and charged this company \$34,100 for the year ended December 31, 2016 (2015 – \$23,360) as rental fee for the use of the Company's exploration equipment. As at December 31, 2016, \$35,674 (December 31, 2015 - \$15,532) is payable to this company and is included in accounts payable.

The Company paid fees for general legal services provided in connection with the supervision and monitoring of contractual and regulatory compliance, risk management and internal financial controls associated with the Company's road upgrade at the Red Mountain property of \$11,462 for the year ended

December 31, 2016 respectively (2015 - \$8,277). A director of the Company is also a partner in the firm that provided those legal services. As at December 31, 2016, \$nil (December 31, 2015 - \$5,950) was outstanding in accounts payable and accrued liabilities to the firm. In addition, the Company rents its office premises at a cost of \$1,000 per month from a management company in which a director is a significant shareholder. Rent and general administration expenses of \$12,000 were paid to this management company during the year ended December 31, 2016 (2015 – \$12,000).

Included in compensation expenses for the year ended December 31, 2016 is \$35,648 (2015 – \$27,503) paid for accounting and management services to a company owned by the former Chief Financial Officer ("CFO") of the Company.

During the year ended December 31, 2016, Marrelli Support Services ("Marrelli Support") and DSA Filing Services ("DSA"), together known as the "Marrelli Group" were paid \$6,989 for the following services:

- Mr. Jing Peng, senior employee of Marrelli Support, to act as CFO of the Company. Mr. Carmelo Marrelli is the President of Marrelli Support and corporate secretary and director of DSA;
- Bookkeeping and office support services;
- Regulatory filing services; and
- Corporate secretarial services.

The Marrelli Group is also reimbursed for out of pocket expenses. As of December 31, 2016, the Marrelli Group was owed \$3,730 (2015 - \$nil). These amounts were included in accounts payable and accrued liabilities.

During the year ended December 31, 2016, the Company borrowed a short-term, unsecured advance of \$100,000 (2015 – \$nil) from NSR, of which the Company's controlling shareholder is also a significant shareholder. As at December 31, 2016, the Company has fully repaid the advance.

The Significant Shareholder also holds a Grid Promissory Note totaling \$11,421,485 as at December 31, 2016 (December 31, 2015 - \$11,221,485). During the year ended December 31, 2016, a total Grid Promissory Note of \$200,000 was advanced by the Significant Shareholder to the Company. The Significant Shareholder has indicated he will not seek payment of this amount in 2017.

As a pre-condition to the issue of the permit for construction of the all-weather tote road, the Yukon Department of Energy Mines and Resources required a security deposit of \$100,000. The Significant Shareholder has arranged for an irrevocable Standby Letter of Credit of \$100,000.

Change in Accounting Policies

Standards issued but not yet effective

Standards issued but not yet effective up to the date of issuance of the Company's financial statements are listed below. This listing is of standards and interpretations issued, which the Company reasonably expects to be applicable at a future date. The Company intends to adopt those standards when they become effective. The extent of the impact of adoption of these standards and interpretations on the financial statements of the Company has not been determined.

IFRS 9 — Financial Instruments ("IFRS 9") was updated by the IASB in November 2009 and will replace part of IAS 39 - Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 addresses the classification and measurement of financial assets. The two measurement categories for financial assets include amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument

is recorded at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is recorded at fair value through profit or loss.

Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The Company is in the process of assessing the impact of this pronouncement.

Share Capital

Other than as described below, as of the date of this MD&A, there are no equity or voting securities of the Company outstanding, and no securities convertible into, or exercisable or exchangeable for, voting or equity securities of the Company.

As of the date of this MD&A, the outstanding capital of the Company includes (i) 25,557,277 common shares of the Company issued and outstanding; (ii) stock options exercisable for the purchase of 150,000 common shares.

Financial Instruments

Financial assets are classified into one of the following categories under IFRS: fair value through profit and loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. Financial liabilities are classified as either financial liabilities at fair value through profit and loss or other financial liabilities. The carrying value of the Company's financial instruments is classified into the following categories:

	Year ended December 31, 2016	Year ended December 31, 2015
Fair value through profit and loss (1)	\$58,558	\$15,572
Available-for-sale (2)	\$1	\$1
Loans and receivables (3)	\$15,410	\$17,674
Other financial liabilities (4)	\$11,499,998	\$11,248,449

(1) Includes cash.

(2) Includes investments available-for-sale.

(3) Includes accounts receivable, Harmonized sales tax ("HST") receivable, but excludes prepaid expenses.

(4) Includes accounts payable and accrued liabilities, due to related parties and promissory notes.

Fair value

IFRS requires that the Company disclose information about the fair value of its financial assets and financial liabilities. Fair value estimates are made at the end of the reporting period, based on relevant

market information and information about the financial instruments. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The Company has designated its cash as fair value through profit and loss, which is measured at fair value. HST and advances are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities, and Grid Promissory Notes are classified as other financial liabilities, which are measured at amortized cost. As at December 31, 2016, except as noted below, the carrying values of the Company's financial instruments approximate their fair values due to their short-term nature. The fair value of the promissory notes held by a related party is not determinable as there is no comparable market data.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company's primary credit risk is on its bank accounts and fixed deposits, whose balance at December 31, 2016 of \$58,558 (December 31, 2015 - \$15,572) held with a large Canadian financial institution. The other credit risk is attributable to the \$11,027 (December 31, 2015 - \$2,142) HST receivable from the Federal Government of Canada and the \$4,383 (December 31, 2015 - \$19,807) due from vendors to be adjusted against services to be provided by them. Management believes that the credit risk with respect to these financial instruments is remote.

Liquidity risk

Liquidity risk arises through the excess of financial obligations due over available financial assets at any point in time. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they become due. As at December 31, 2016, the Company had cash of \$58,558 (December 31, 2015 - \$15,572) to settle current liabilities of \$11,499,998 (December 31, 2015 - \$11,248,449). The Company receives additional cash from its Significant Shareholder on a regular basis when the cash on hand is insufficient to cover liabilities that become due and expects to be able to continue to raise these funds.

The receipt of such funds as contemplated would be sufficient to fund the capital requirements of the Company. However there can be no assurance that these funds will be available and as described in Note 1 to the financial statements for the year ended December 31, 2016, the Company will need to raise additional capital through equity issuance or other available means in order to continue funding its operating, exploration and evaluation activities, and eventual development of its properties. The outcome of these matters cannot be predicted at this time.

Market risk

Market risk arises through a general slowdown in the economy over a sustained period of time. The Company's investments operate businesses that are at risk of loss during the contraction of the economy. The Company's short-term investments are subject to market risk.

Disclosure of Internal Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence in that (i) the financial statements do not

contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements, and (ii) the financial statements fairly present in all material respects the financial condition, financial performance and cash flow of the Corporation, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate do not make any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Environmental

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations, among other things, mandate the maintenance of air and water quality standards, land reclamation, transportation, storage and disposal of hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Risk Factors

The Company faces a material risk that despite the expenditure of significant capital on the Red Mountain project, it might not receive regulatory permits that make it economically feasible for the Company to proceed with further activities. In addition, there are a number of socio-economic and environmental factors that must be considered by the Company prior to committing to an advanced exploration program, including available infrastructure, qualified labor, and the costs of the program itself. In addition, the target mineral, molybdenum, is subject to significant price fluctuations. Any significant increase in the world supply of molybdenum can be expected to cause a significant reduction in the value of molybdenum and adversely affect project economics.

The Company's current activities do not present any material risks such as political, environmental or foreign exchange. If permitting of an underground mine development project is obtained, the risk potential of the Company will increase as its mining operations become active.