BANYAN GOLD CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE QUARTER ENDED MARCH 31, 2017

Background

This discussion and analysis of financial position and results of operations is prepared as at May 26, 2017 and should be read in conjunction with the interim financial statements and the accompanying notes for the quarter ended March 31, 2017 for Banyan Gold Corp. (the "Company" or "Banyan"). The financial statements, including comparatives, have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following Management Discussion and Analysis ("MD&A") are quoted in Canadian dollars.

This MD&A contains "forward-looking statements" that are subject to risk factors set out in the cautionary statement below. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com and at www.banyangold.com.

Cautionary Note Regarding Forward-Looking Statements

Consequently, all of the forward-looking statements made in this MD&A are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Banyan. These forward-looking statements are made as of the date of this MD&A. Except as required by applicable securities legislation, we assume no obligation to update publicly or revise any forward-looking statements to reflect subsequent information, events, or circumstances.

Company Overview

The Company was incorporated by a Certificate of Incorporation issued pursuant to the provisions of the Alberta Corporations Act **("ABCA")** on July 26, 2010 under the name Banyan Coast Capital Corp, which was subsequently changed to Banyan Gold Corp under a certificate of amendment on February 14, 2013. On November 24, 2010, the Company became a reporting issuer in the Provinces of British Columbia, Alberta, Saskatchewan and Ontario.

Banyan completed its IPO and commenced trading on January 27, 2011 on the TSX Venture Exchange and trades under the symbol BYN.

On February 15, 2013, the Company completed its Qualifying Transaction by completing a Definite Assignment and Transfer Agreement ("Definative Agreement") with Argus Metals Corp. ("Argus") to acquire a 100% interest in Hyland Gold Property (the "Hyland Property") in the Watson Lake Mining District of the south eastern Yukon Territory, Canada.

The Corporation is engaged in the business of exploration and development of precious metals. The Corporation owns a 100% interest in the Hyland Gold Property ("Property") in the Yukon Territory. The Property contains a Main Zone NI 43-101 Compliant Resource of 361,692 oz gold (12,503,994 tonnes of 0.90 g/t Au) and 2,248,948 oz silver (12,503,994 tonnes of 5.59 g/t Ag).

Selected Financial Information

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

Fiscal Quarters of the Fiscal Year Ended September 30, 2017

All in $ Cdn	**First Quarter**	**Second Quarter**	**Third Quarter**	**Fourth Quarter**
Operations:				
Revenues	$ -	$ -		
Expenses	57,480	275,059		
Comprehensive Loss	(57,480)	(275,059)		
Loss per share – basic & fully diluted	(0.00)	(0.01)		
Balance Sheet:				
Working Capital	643,532	1,868,212		
Total Assets	2,223,187	3,475,005		
Total Long term liabilities	Nil	Nil		

Fiscal Quarters of the Fiscal Year Ended September 30, 2016

All in $ Cdn	**First Quarter**	**Second Quarter**	**Third Quarter**	**Fourth Quarter**
Operations:				
Revenues	$ -	$ -	$ -	$ -
Expenses	46,317	70,290	115,165	259,057
Comprehensive Loss	(46,317)	(70,290)	(115,165)	(259,057)
Loss per share – basic & fully diluted	(0.00)	(0.00)	(0.00)	(0.01)
Balance Sheet:				
Working Capital	21,495	99,175	18,128	764,047
Total Assets	1,171,024	1,182,060	1,114,849	2,319,439
Total Long term liabilities	Nil	Nil	Nil	Nil

Fiscal Quarters of the Fiscal Year Ended September 30, 2015

All in $ Cdn	**First Quarter**	**Second Quarter**	**Third Quarter**	**Fourth Quarter**
Operations:				
Revenues	$ -	$ -	$ -	$ -
Expenses	30,656	52,727	48,183	94,228
Comprehensive Loss	(30,656)	(52,727)	(48,183)	(94,228)
Loss per share – basic & fully diluted	(0.00)	(0.00)	(0.00)	(0.00)
Balance Sheet:				
Working Capital	57,190	443,996	275,729	11,395
Total Assets	767,330	1,201,496	1,148,704	1,151,667
Total Long term liabilities	Nil	Nil	Nil	Nil

Results of Operations

Corporate Results

During the quarter, the Company appointed Steve Burleton, Vice President, Business Development at Richmont Mines Inc. and David Reid, a senior partner and Global Co-Chair of Mining with DLA Piper (Canada) LLP to the Banyan Gold Board of Directors, bringing a wealth of capital market experience, mergers and acquisition knowledge and securities law.

Mr. Burleton has been the Vice-President of Business Development at Richmont Mines Ltd. since February 2015. He has over 18 years of experience in the Canadian investment banking industry having dealt with companies in mining, fertilizers and industrial products. He was formerly the Vice President, Corporate Development for a publicly traded fertilizer producer with operations in Brazil and one of the few junior fertilizer development projects to reach production in recent years. In that role he was responsible for financing, strategic initiatives and investor relations. Previously, Mr. Burleton served as Managing Director of Investment Banking at Wellington West Capital Markets Inc. and at Scotia Capital Inc. Mr. Burleton is a Chartered Financial Analyst (CFA) and holds an MBA from York University.

David Reid, LL.B., is a senior partner and Global Co-Chair of Mining with DLA Piper (Canada) LLP with over 30 years of experience in mining and securities law, including over $2 billion in corporate finance and M&A transactions since 2011. Mr. Reid is recognized by Lexpert as a Leading Canadian Lawyer in Global Mining, The Legal 500 Canada (Energy-Mining-Corporate-M&A), and Best Lawyers in Canada in the areas of mining, natural resources law and securities law. David led a team in connection with a transaction awarded Mining Deal of the Year by Canadian Dealmakers in 2012 and has served on the board of several TSX, NYSE and TSXV resource companies, including Far West Mining Ltd. (acquired in 2011 by Capstone Mining Corp. in a $1.1 billion M&A transaction).

Hyland Property

2016 Work Program

The 2016 Hyland Gold Project exploration program consisted of a diamond drilling program within the Hyland Main Zone deposit, a detailed trench program in the Camp Zone and Montrose Ridge Zone and an in-fill and step-out soils geochemical program over the Montrose Ridge and Hyland South areas of the Property. Additionally, post 2016 program, a detailed LiDAR Survey was flown over the extent of the Hyland Property. The resultant data from this survey is currently being utilized for a comprehensive Property-wide structural analysis and has been integrated with an on-going historical data compilation project encompassing the entirety of the Hyland Gold Project exploration database.

Diamond Drilling

Three HQ/NQ drillholes totaling 475 metres in length (312 drillcore samples were collected and analyzed as part of the diamond drilling program and additionally mineralized oxide and sulphide material from the Main Zone was collected and tested for metallurgical recovery. Drill core assays ranged from trace to 6.68 g/t Au and averaged 0.46 g/t Au. Only 16 of the 312 samples returned over 2.0 g/t Au, a fact that highlights the consistent nature of the Main Zone mineralization.

The drill program targeted in-fill and extension of the Main Zone gold-silver deposit. Each of the three holes drilled in 2016 returned long intervals of Main Zone mineralization including: <u>30.7 metres of 1.30g/t Au and 8.0 g/t Ag</u> from 18.3 to 49.0 metres (drill hole HY-16-48); <u>27.1 metres of 1.02 g/t Au and 16 g/t Ag</u> from 24.4 to 51.5 metres (drillhole HY-16-49); and <u>35.7 metres of 1.00 g/t Au and 2.5 g/t Ag</u> from 76.0 to 111.6 metres (drill hole HY-16-10). The 2016 drill results have further confirmed the structure and continuity of the Main Zone gold-silver Resource* and highlight the grade potential at Hyland's Main Zone. The Main Zone Deposit remains open for expansion to the east, north and to depth.

**The Main Zone gold Inferred Resource, at a 0.6 g/t gold equivalent ("AuEq") cutoff, hosts a NI 43-101 compliant Resource of 12,503,994 tonnes containing 361,692 ounces gold at 0.9 g/t and 2,248,948 ounces silver at 5.59 g/t for a combined gold and silver 396,468 ounces gold equivalent.*

Extracted from the November 2, 2012 NI 43-101 Hyland Gold Project Technical Report written by Allan Armitage, Ph.D., P.Geol., GeoVector Management Inc., and Paul D. Gray, B.Sc., P.Geo., Paul D. Gray Geological Consultants.

Table 1: Selected Intervals from Hyland Main Zone 2016 Drill Program

Hole ID	From (m)	To (m)	Length (m)	Gold (g/t)	Silver (g/t)
HY-16-48	1.2	103.0	101.8	0.67	5.3

including	18.3	49.0	**30.7**	**1.30**	**8.0**
and including	61.0	103.0	42.0	0.57	4.7
HY-16-49	0.0	143.0	143.0	0.50	12.2
including	24.4	51.5	**27.1**	**1.02**	**16.0**
and including	90.5	124.0	**33.5**	**0.75**	**7.0**
HY-16-50	0.0	125.0	125.0	0.70	4.8
including	15.2	67.5	**52.3**	**0.83**	**3.3**
and including	76.0	111.6	**35.7**	**1.00**	**2.5**

Trenches

In total, seven trenches (two in the Camp Zone and five at Montrose Ridge) totaling 660 metres were excavated and sampled with 291 samples collected. Gold grades from these samples ranged from trace to 9.22 g/t Au and averaged 60 ppb Au. The gold mineralization identified in the Camp Zone trenches remains open in all directions. The 2016 trenching was successful in defining geometry and structure at Montrose Ridge and Camp Zones and positions the Company well for the 2017 exploration program.

Trench CZ-16-01 returned 96 metres of 0.64 g/t Au from 0 to 96 metres, including **56 metres of 1.03 g/t Au from 0 to 56 metres.** This trench was excavated in the Camp Zone, north of the 2015 diamond drill holes (See Banyan News Release dated September 17, 2015) and was designed to test a previously untested portion of a zone interpreted to host the mineralized north-south trending Quartz Lake Corridor, the >18km long structure that is believed to control gold mineralization on the Hyland Gold Project. Trench CZ-16-01 intersected a broad fault zone consisting of predominantly gouge and brecciated clastic units of the Hyland Formation within the mineralized interval.

This area of the Camp Zone had seen previous, but limited trench sample campaigns in the 1980's by Archer-Cathro, however these efforts did not produce long continuous gold mineralized results such as this year's trench CZ-16-01. Management postulates that the excavator utilized for this season's trench excavations afforded better depth penetration than historic trench efforts, and samples that are more representative have thus been collected and analyzed. Further trenches in the Camp Zone area are highly warranted.

Much like at the Cuz and Montrose Ridge Zones, this season's trench sampling established a lack of a silver association with the Camp Zone gold mineralization. This fits with management's interpretation that these zones represent separate mineralized systems from the Hyland Main Zone gold-silver system, where an approximate 1:4 gold-silver ratio exits. This continues to affirm the concept of repeated, multi-phased gold mineralization events at the Hyland Project is consistent with a District-Scale gold system.

Soils Geochemistry

Coincident with the trench and diamond drilling program at Hyland in 2016, a soils geochemical program focused on expanding the soil coverage around the Montrose Ridge zone was completed. 592 soils samples were collected from these efforts, all of which were analyzed by XRF Instrumentation. The results continue to define strongly anomalous As+Bi trends and correspond well with the soil geochemical data Banyan has previously collected. In 2015, XRF-Chemical analyses of soils samples in the Montrose Ridge zone established a strong correlation with a bismuth-gold relationship (See Company News Release dated Sept 17, 2015). These geochemically anomalous trends are interpreted to represent mineralized structures that can now be followed up with trenches and drill holes. XRF results for Bi ranged from trace to 626 ppm Bi and averaged 10 ppm Bi; As results ranged from trace to 541 ppm As and averaged 21 ppm As.

Sample Collection Methods

All trench samples were collected from excavated trenches by Banyan staff on systematic two (Montrose Ridge) or four (Camp Zone) meter intervals as marked out with spray paint using a 100 meter measuring tape. All trench samples were collected as continuous chip and/or channel samples from exposed lithologies on the walls of the trenches. Trench samples were sealed in polybags at the sample site along with one inserted part of a three-part sample tag. Handheld GPS recorded sample number and location coordinates.

All soil samples were collected by Banyan staff utilizing shovel and hand-held soil sampling auger. Samples were collected at regular intervals from the B or C horizon wherever possible at depths that varied from 10 and 60 cm. Sample forms were filled out at each site containing germane information on all samples collected including GPS coordinates and soil sample descriptions. Samples collected in the field were sealed at the sample point with sample numbers written on the Kraft Sample Bags and one part of a three-part sample tag inserted into Sample bag at sample site.

Analytical Method

All drill core samples collected from the Hyland 2016 program were analyzed at SGS Canada Inc. of Burnaby, B.C. utilizing the GE-ICP14B, 34-element ICP analytical package with GE-FAA515 50-gram Fire Assay with Gravimetric finish for gold on all samples. GE_ICP14B. All core samples were split on-site at Banyan's Quartz Lake exploration camp core processing facilities. Once split, half samples were placed back in the core boxes with the other half of split samples sealed in poly bags with one part of a three-part sample tag inserted within. All these samples were shipped to the SGS's Burnaby, B.C. Laboratory where samples were sorted and crushed to appropriate particle size (pulp) and representatively split to a smaller size for analysis. A robust system of standards was implemented in the 2016 exploration drilling program and was monitored as chemical assay data became available.

All exploration trench samples collected from the Hyland 2016 program were analyzed at SGS Canada Inc. of Burnaby, B.C. utilizing the GE-ARM133, 48-element ICP analytical package with GE-FAA515 50-gram Fire Assay with Gravimetric finish for gold on selected samples. All trench samples collected from the Hyland Gold Project in 2016 were bagged and tagged at the trench face, with samples subsequently organized for final shipment at the Company's Quartz Lake Exploration camp. From there, samples were shipped to SGS Canada Inc.'s Burnaby laboratory where they were sorted and crushed to appropriate particle size (coarse crush) and representatively split to a smaller size (

All Hyland gold 2016 soils samples were analyzed using a portable XRF (Olympus Innov-X Delta Premium XRF) unit. Soil samples were dried and transferred into a thin plastic bag ('Glad' Sandwich Bag) and placed into the XRF workstation, and subsequently analyzed under a three beam SOIL setting of 30:30:30.

The Hyland Gold Property information reported above has been reviewed and approved by Paul D. Gray, B.Sc., P.Geo., Vice President Exploration for Banyan Gold, the Qualified Person as defined by NI 43-101.

Analysis of Hyland Expenditures:

Closing balance – September 30, 2015	$ 1,049,367
Government grant receivable for work completed	(nil)
Exploration and evaluation expenses capitalized	13,638
Closing balance – March 31, 2016	$ 1,063,005

Closing balance - September 30, 2016	$ 1,349,222
Government grant received for work completed	(40,000)
Exploration and evaluation expenses capitalized	88,867
Closing balance - March 31, 2016	$ 1,398,089

Aurex & McQuesten Properties

On February 28, 2017, the Company announced that it has signed letters of intent for option agreements (the"**Options**") to acquire up to 100% of the Aurex Property, from Victoria Gold Corp. ("**Victoria**") and up to 100% of the McQuesten Property, from Alexco Resource Corp. ("**Alexco**"). The Aurex and McQuesten gold properties are contiguous, comprising 8,230 hectares and 1,000 hectares respectively and are both highly prospective for intrusive-related gold mineralization, and include areas of historic gold production (lode and placer), in the prolific Mayo Mining District, Yukon Territory.

These combined properties form a contiguous, approximate 9,230 hectares claim group providing a unique opportunity to combine a substantial amount of historic exploration data to generate a consolidated exploration target model across a previously independently explored project boundary.

Terms of the letters of intent are as follows:

Highlights of Aurex Agreement with Victoria:

Under the terms of the binding Letter Agreement with Victoria, which is subject to TSX Venture Exchange ("TSX-V") approval, Banyan may earn up to 100% interest in the Aurex property in three (3) stages:

- Initial 51% Option Interest - To acquire the initial 51% Option Interest in the Property, the Company is required, over a period of four (4) years, to issue in stages a total of 3 million common shares in the capital of the Company, and to incur in stages minimum exploration expenditures totaling $1.6 million on the Property. Banyan will act as the Property's operator during the initial four-year term and has the option to defer expenditures into a 5th year. Following the earning of the 51% Option Interest, a joint venture ("**JV**") will be formed and Banyan will have the ability to elect to earn an additional 24%.

- Additional 24% Interest - In order to earn the Additional 24% Interest, such that Banyan would have an aggregate interest of 75% in the Property, Banyan will be required to spend an additional $3.5 million in exploration expenditures over five (5) years. Upon having earned the Additional 24% Interest, Banyan will continue to act as the Property's operator and may elect to earn an additional 25%.

- Additional 25 % interest - In order to earn the Additional 25% Interest, such that Banyan would have an aggregate interest of 100% in the Property, within two (2) years Banyan must pay Victoria $2 million cash or shares and grant Victoria a 6% net smelter return ("**NSR**") royalty with buybacks totaling $7 million to reduce to a 1% NSR royalty on Au and a3% NSR royalty on Ag.

As part of the agreement, Victoria will make a strategic investment in Banyan of $100,000 which was completed on March 7, 2017.

Highlights of McQuesten Agreement with Alexco:

Under the terms of the McQuesten non-binding letter agreement with Alexco, it is intended that the parties will negotiate a binding agreement, which will be subject to TSX-V, Government of Canada and Silver Wheaton Corp. approvals, under which Banyan may earn up to a100% interest in the McQuesten property in three (3) stages:

- Initial 51% Option Interest - To acquire the initial 51% Option Interest in the Property, the Company is required, over a period of four (4) years, to issue in stages a total of 1.6 million common shares in the capital of the Company, and to incur in stages minimum exploration expenditures totaling $1.6 million on the Property. Banyan will act as the Property's operator during the initial four-year term and has the option to defer expenditures into a 5th year. Following the earning of the 51% Option Interest, a JV will be formed and Banyan will have the ability to elect to earn an additional 24%.

- Additional 24% Interest - In order to earn the Additional 24% Interest, such that Banyan would have an aggregate interest of 75% in the Property, within three (3) years Banyan must spend an additional $1 million in exploration expenditures, deliver a Preliminary Economic Assessment and pay Alexco $600,000 in cash or shares of Banyan. Upon having earned the Additional 24% Interest, Banyan will continue to act as the Property's operator and may elect to earn an additional 25%.

- Additional 25% interest - In order to earn the Additional 25% Interest, such that Banyan would have an aggregate interest of 100% in the Property, within two (2) years Banyan must pay Alexco $2 million in cash or shares, deliver a Pre-Feasibility Study and grant Alexco a 6% NSR royalty with buybacks totaling $7 million to reduce to a 1% NSR royalty on Au and a 3% NSR royalty on Ag.

Alexco will make a strategic investment of $350,000 in Banyan which was completed on March 7, 2017, and will have the right to participate in future financings and have a right to a Board seat as long as it maintains a minimum 10% equity ownership in Banyan.

The definitive agreements with Alexco and Victoria were completed on May 24, 2017 subject to TSX Venture approval and in the case of Alexco, requiring the consent of Silver Wheaton and the Government of Canada.

Corporate Results

During the quarter ended March 31, 2017, the Company recorded a net loss of $275,059, vs a loss of $70,290 for the quarter ended March 31, 2016. The main drivers behind the higher quarterly loss was the accounting for Future Income Tax Expense, $87,220 (2016 – nil). This is the result of the Company raising flow through related funds, thereby increasing the exploration amounts yet to be renounced. Furthermore, the Company recorded $83,340 (2016 – nil) in stock based compensation from the issuance of stock options as the Company board expanded. Management fees, $45,750 (2016 - $12,500) and General & Admin, $26,789 (2016 – 5,799) increased as the Company became more active in raising funds, increasing market awareness and preparing for the spring and summer exploration season.

Additional Disclosure for Venture Issuers without Significant Revenue

Since the Corporation has no revenue from operations, the following is a breakdown of general and admin expenses and material costs incurred in the last two comparative periods:

General & Admin & Material Costs	Quarter Ended March 31, 2017	Quarter Ended March 31, 2016
General & Admin:		
Marketing	15,633	1,561
Travel	6,489	629
Transfer Agent Fees	1,849	1,877
Office Supplies	1,172	739
Telephone	831	421
Conference Fees	705	0
Rent	396	490
Interest & Bank Charges	317	4
Courier & Postage	48	79
Training	(650)	0

Liquidity and Capital Resources

The accompanying interim financial statements are presented on a going concern basis, which assumes the Company will continue to realize its assets and discharge its liabilities in the normal course of operations.

The Company does not generate cash flows from operations and has therefore relied principally on the issuance of equity securities to finance its operation activities to the extent that such instruments are issuable under terms acceptable to the Company.

If future financing is unavailable, the Company may not be able to meet its ongoing obligations, in which case the realizable values of its assets may decline materially from current estimates. The financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations.

From inception to March 31, 2017, the Company raised gross proceeds of $4,475,604 from the issuance of its common shares.

As at March 31, 2017, the Company had working capital of $1,868,212 (2016 - $21,495) which will be sufficient to fund the Company through the next fiscal year for both the planned exploration programs on Hyland, Aurex & McQueston and for general corporate purposes.

Off-Balance Sheet Arrangements

None

Proposed Transactions

None

Transactions With Related Parties

During the quarter, $56,250 (2015 - $41,000) was expensed to the corporation by officers of the Company. $15,750 (2016 - $10,500) has been billed to management fees by 1195472 Ontario Ltd. for the CFO and $10,500 (2016 - $10,500) to professional fees by Paul D. Gray Geological Consulting and $30,000 by 44984 Yukon Inc. for management fees for Tara Christie, CEO (2016 - $20,000 by Caravel Capital for the previous CEO.)

Critical Judgments and Accounting Estimates

These financial statements, including comparatives have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"). The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could results in a material adjustment to the carry amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- i) the recoverability of receivables which are included in the statements of financial position;
- ii) the inputs used in accounting for stock-based compensation expense, which are included in the statement of operations;
- iii) recoverability of future income tax asset;
- iv) recoverability of exploration and evaluation expense asset;
- v) the valuation of the rehabilitation provision; and
- vi) the valuation of share-based payments transactions.

The significant accounting policies, critical judgements and accounting estimates used by the Company are discussed in detail in the 2016 annual MD&A for the year ended September 30, 2016, under the heading "Critical Judgements and Accounting Estimates", as well as the 2016 annual audited financial statements for the year ended September 30, 2016, in Note 3.

There have been no material changes applied to these accounting policies from September 30, 2016 up to the date of this MD&A.

Risks and Uncertainties

The Company's financial performance is likely to be subject to the following risks:

The Issuer is a relatively new company with limited operating history and no history of business or mining operations, revenue generation or production history. The Issuer was incorporated on July 26, 2010 and has yet to generate a profit from its activities. The Issuer will be subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its growth objective. The Issuer anticipates that it may take several years to achieve positive cash flow from operations.

Exploration, Development and Operating Risks

The exploration for and development of minerals involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable. With all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Mineral exploration is speculative in nature and there can be no assurance that any minerals discovered will result in an increase in the Issuer's resource base.

The Issuer's operations will be subject to all of the hazards and risks normally encountered in the exploration, development and production of minerals. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Issuer.

Substantial Capital Requirements and Liquidity

Substantial additional funds for the establishment of the Issuer's current and planned exploration program and potential mining operations will be required. No assurances can be given that the Issuer will be able to raise the additional funding that may be required for such activities, should such funding not be fully generated from operations, mineral prices, environmental rehabilitation or restitution. Revenues, taxes, transportation costs, capital expenditures and operating expenses and geological results are all factors which will have an impact on the amount of additional capital that may be required. To meet such finding requirements, the Issuer may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Issuer or at all. If the Resulting Issuer is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion, and pursue only those development plans that can be funded through cash flows generated from its existing operations.

Fluctuating Mineral Prices

The economics of mineral exploration is affected by many factors beyond the Issuer's control including, commodity prices, the cost of operations, variations in the grade of minerals explored and fluctuations in the market price of minerals. Depending on the price of minerals, it may be determined that it is impractical to continue the mineral exploration operation.

Mineral prices are prone to fluctuations and the marketability of minerals is affected by government regulation relating to price, royalties, allowable production and the importing and exporting of minerals, the effect of which cannot be accurately predicted. There is no assurance that a profitable market will exist for the sale of any minerals found on the Property.

Regulatory Requirements

The current or future operations of the issuer require permits from various governmental authorities, and such operations are and will be governed by laws and regulations governing exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with the applicable laws, regulations and permits. There can be no assurance that all permits which the Issuer may require for the facilities and conduct of exploration and development operations will be obtainable on reasonable terms or that such laws and regulation would not have an adverse effect on any exploration and development project which the Resulting Issuer might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulation and permits governing operations and activities of mineral companies, or more stringent implementation thereof, could have a material adverse impact on the Issuer and cause increases in capital expenditures or exploration and development costs or require abandonment or delays in the development of new properties.

Financing Risks and Dilution to Shareholders

The Issuer has limited financial resources. If the Issuer's exploration programs on the Property are successful, additional funds will be required for the purposes of further exploration and development. There can be no assurance that the Issuer will be able to obtain adequate financing in the future or that such financing will be available on favourable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity which will result in dilution to the Issuer's shareholders.

Requirement for Permits and Licenses

A substantial number of additional permits and licenses may be required should the Issuer proceed beyond exploration; such licenses and permits may be difficult to obtain and may be subject to changes in regulations and in various operational circumstances. It is uncertain whether the Issuer will be able to obtain all such licenses and permits.

Competition

There is competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Issuer will compete with other mining companies, many of which have greater financial, technical and other resources than the Issuer, for, among other things, the acquisition of minerals claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel.

Reliance on Management and Dependence on Key Personnel

The success of the Issuer is currently largely dependent upon on the performance of its directors and officers and the ability to attract and retain its key personnel. The loss of the services of these persons may have a material adverse effect on the Issuer's business and prospects. The Issuer will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Issuer can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Resulting Issuer and its prospects.

No Mineral Reserves

Mineral reserves are, in the large part, estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Reserve estimates for properties that have not yet commenced production may require revision based on actual production experience. Market price fluctuations of metals, as well as increased production costs or reduced recovery rates may render mineral reserves containing relatively lower grades of mineralization uneconomic and may ultimately result in a restatement of reserves. Moreover, short-term operating factors relating to the mineral reserves, such as the need for orderly development of the ore bodies and the processing of new or different mineral grades may cause a mining operation to be unprofitable in any particular accounting period.

Environmental Risks

The Issuer's exploration and appraisal programs will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs.

Governmental Regulations and Licenses and Permits

The activities of the Issuer are subject to provincial and federal approvals, various laws governing prospecting, development, land resumptions, production taxes, labour standards and occupational health, mine safety, toxic substances and other matters. Although the Issuer believes that its activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of exploration and mining, or more stringent implementation thereof, could have a material adverse impact on the business, operations and financial performance of the Issuer. Further, the licenses and permits issued in respect of its projects may be subject to conditions which, if not satisfied, may lead to the revocation of such licenses. In the event of revocation, the value of the Issuer's investments in such projects may decline.

Local Resident Concerns

Apart from ordinary environmental issues, work on, or the development and mining of the Property could be subject to resistance from local residents that could either prevent or delay exploration and development of the Property.

Conflicts of Interest

Certain of the directors and officers of the Issuer will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers of the Issuer may become subject to conflicts of interest. The ABCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the ABCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the ABCA.

Uninsurable Risks

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences. It is not always possible to obtain insurance against all such risks and the Issuer may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Issuer's results of operations and financial condition and could cause a decline in the value of the Issuer Share. The Issuer does not intend to maintain insurance against environmental risks.

Investor Relations Activities

The Company does not have any investor relations arrangements.

Disclosure of Outstanding Share Data

a) Authorized and Issued capital stock:

As of March 31, 2017:

Unlimited number of:
Unlimited Class A voting common shares
Unlimited Class B non-voting, common shares
Unlimited Preferred Shares
All issued shares are fully paid

The Company's authorized share capital is unlimited common shares without par value. As at March 31, 2017, there are 64,179,568 issued and outstanding Class A common shares. There were no Class B or Preferred Shares Issued.

b) Warrants Outstanding:

As of March 31, 2017:

Number	Exercise Price	Expiry Date
500,000	$0.075	April 10 2017
880,000	$0.070	January 29, 2019*
4,116,912	$0.085	August 24, 2018
5,955,004	$0.115	September 8, 2019**
11,451,916		

Note:

*The warrants may have their expiry time accelerated at any time prior to the expiry of the warrants if the volume-weighted average trading price of the corporation's shares on the TSX Venture Exchange is greater than 10 cents for 15 consecutive trading days, at which time the corporation may give notice in writing to the warrant holders within 10 days of such an occurrence that the warrants shall expire on the 30th day following the giving of such notice. On March 20, 2017, the Company gave notice that these warrants are accelerated and the new expiry date is April 19, 2017.

** The warrants may have their expiry time accelerated at any time prior to the expiry of the warrants if the volume weighted average trading price of the Corporation's shares on the TSX Venture Exchange is greater than $0.13 for 20 consecutive trading days, at which time the Corporation may give notice in writing to the Warrant holders within 10 days of such an occurrence that the Warrants shall expire on the 30th day following the giving of such notice.

c) Options Outstanding:

Number	Exercise Price	Expiry Date
250,050	$0.15	January 21, 2021
650,000	$0.05	January 31, 2019
75,000	$0.05	April 22, 2019
675,000	$0.05	August 10, 2020
500,000	$0.065	August 4, 2021
500,000	$0.085	August 26, 2021
350,000	$0.07	October 27, 2021
800,000	$0.11	March 4, 2022
3,800,050		

d) Transactions During the Period

On March 7, 2017, the TSX Venture Exchange approved a non-brokered private placement of $800,000. The Private Placement consists 3,406,312 flow through shares prices at $0.095 per share and 5,955,004 units ("Units") priced at $0.08 per unit, each unit to consist of 1 common share and 1 full Warrant, each full Warrant exercisable at $0.115 for a period of 30 months from regulatory approval.

The warrants, which form part of the units, will be subject to an acceleration clause whereby they may have their expiry time accelerated at any time prior to the expiry of the Warrants if the volume weighted average trading price of the Corporation's shares on the TSX Venture Exchange is greater than $0.13 for 20 consecutive trading days, at which time the Corporation may give notice in writing to the Warrant holders within 10 days of such an occurrence that the Warrants shall expire on the 30th day following the giving of such notice.

During a quarter a total of 7,927,692 warrants were exercised and 7,927,692 shares were issued for total proceeds of $583,054

During the quarter ended March 31, 2017, the Company granted stock options to directors and officers to purchase 800,000 common shares, at an exercise price of $0.11 per share, exercisable on or before March 4, 2022.

Subsequent Event

Between April 3, 2017 and April 19, 2017 a total of 1,714,625 warrants were exercised for proceeds of $128,543.

On May 1, 2017, the Corporation announced that it had received a Class 3 Land Use Permit for the Hyland Gold Project has been granted from the Yukon Government. This permit will allow for continued development of the Hyland Gold Project through advanced mineral exploration activities including diamond drilling, trenching geophysics and on-tenure camp support.

On May 24 and announced on May 25, the Corporation completed the definitive agreements (see Note 6) on the Aurex and McQueston projects subject to TSX Venture approval and in the case of Alexco, requiring the consent of Silver Wheaton and the Government of Canada