Admiral Bay Resources Inc.

MANAGEMENT DISCUSSION & ANALYSIS

FORM 51-102F1

For the six-month period ended January 31, 2017

February 01, 2018

This management's discussion and analysis provides an analysis of our financial situation which will enable the reader to evaluate important variations in our financial situation for the six-month period ended January 31, 2017, compared to the six-month period ended January 31, 2016. This report prepared as at February 01, 2018 intends to complement and supplement our condensed interim financial statements (the "financial statements") as at January 31, 2017 and should be read in conjunction with the interim condensed financial statements and the accompanying notes. Readers are also advised to read the Company's audited financial statements and accompanying notes for the year ended July 31, 2017, which have been prepared in according with International Financial Reporting Standards.

Our financial statements and the management's discussion and analysis are intended to provide a reasonable base for the investor to evaluate our financial situation.

Our financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"). All dollar amounts contained in this MD&A are expressed in Canadian dollars, unless otherwise specified.

Where we say "we", "us", "our", the "Company" or "Admiral Bay", we mean Admiral Bay resources Inc., as it may apply.

OVERVIEW AND DESCRIPTION OF BUSINESS

Admiral Bay Resources Inc. ("the Company") was originally incorporated under the name Riviera Explorations Ltd. pursuant to the Business Corporations Act (British Columbia) on September 3, 1987. In 1993 the Company changed its name to Kentucky Oil & Gas Inc., and in 1994 to Integrated Card Technologies Inc., in 1997 to Arizona Ventures Ltd., and on August 31, 1998 to Admiral Bay Resources Inc. The Company was a listed issuer on the TSX-V under the symbol "ADB". On December 6, 2016 a Cease trade order was issued by the director of the BCSC for not filing financial statements and on February 23, 2016 the BCSC issued a partially revocation order.

The Company is engaged in the business of acquiring, exploring and developing natural resource properties, with a focus on emerging unconventional gas production. Admiral Bay's executive office is located at 4B Inverness Court Place, Suite 120, Englewood, Colorado, 80112, U.S.A.

The Company intend to get the Cease Trade Order imposed by the director of the BCSC lifted, by complying with BCSC requirements and getting the Company back into good standing as a reporting issuer. The Company's management intends to seek new opportunities. The Company currently does not hold any material resource property interests.

CORPORATE DEVELOPMENTS AND SIGNIFICANT TRANSACTIONS AND FACTORS AFFECTING RESULTS OF OPERATIONS

Equity

During the six-month period ending January 31, 2017 and 2016 and to date of this MD&A there were no equity transactions.

OVERALL PERFORMANCE

The Company had no revenue and reported professional fees of $11,200 (2016 - $4,625). The Company has no earnings.

BUSINESS STRATEGY

The Company intend to get the Cease Trade Order imposed by the director of the BCSC lifted, by complying with BCSC requirements and getting the Company back into good standing as a reporting issuer.

RESULTS OF OPERATIONS

All of the balances set out in this and following sections, including the Summary of quarterly results conform to IFRS standards

	Six Months Ended	
	January 31, 2017	January 31, 2016
	$	$
EXPENSES (INCOME)		
Professional fees	**11,200**	4,625
Net loss and comprehensive loss for the period	**(11,200)**	(4,625)
Loss per share		
Basic and diluted loss per share	**(0.00)**	(0.00)
Weighted average number of shares outstanding	**5,142,226**	5,142,226

For the six-month period ended January 31, 2017 compared to the six-month period ended January 31, 2016

The Company recorded net loss of $11,200 for the six-month period ended January 31, 2017 compared to a net loss of $4,625 for the six-month period ended January 31, 2016. Some of the significant charges to operations are as follows:

- Professional fees of $11,200 (2016 - $4,625) include general corporate legal, audit and accounting for the six-month period.

SUMMARY OF QUARTERLY RESULTS

The table below presents selected financial data for the Company's eight most recently completed quarters, all prepared in accordance with IFRS.

	Jan 31 2017 $	Oct 31 2016 $	Jul 31 2016 $	Apr 30 2016 $	Jan 31 2016 $	Oct 31 2015 $	Jul 31 2015 $	Apr 30 2015 $
Deficit and Cash Flow								
Interest revenue	-	-	-	-	-	-	-	-
Net income (loss)	(1,500)	(9,700)	(2,313)	(2,512)	(2,312)	(2,312)	(1,825)	(1,825)
Basic and diluted gain (loss) per share	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Balance Sheet								
Total Assets	2,652	2,652	1,326	1,326	0.00	0.00	0.00	0.00

Over the last eight quarters operational expenses fluctuated due to mainly legal and accounting charges as spending as well as attempts to preserve cash spending on general and administrative and the fact that operations have been put on hold for a period of time.

LIQUIDITY AND CAPITAL RESOURCES

The condensed interim financial statements have been prepared on a going-concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. Continuing operations, as intended, are dependent on management's ability to raise required funding through loans, debentures and future equity issuances, its ability to acquire resource property or business interests and develop profitable operations or a combination thereof, which is not assured, given today's volatile and uncertain financial markets. The Company may revise future plans depending on its working capital position.

As at January 31, 2017 the Company had a negative working capital of $30,071 (July 31, 2016 - $18,871). Current assets primarily consisted of, receivables of $2,652 (July 31, 2016 - $1,326). Current liabilities, being accounts payable and accrued liabilities as at January 31, 2017 amounted to $32,723 (July 31, 2016 - $20,197). Refer to the condensed interim financial statements for the six-month periods ended January 31, 2017 and 2016 for more information on the use of cash in operating, investing and financing activities.

LIQUIDITY AND CAPITAL RESOURCES (CONTINUED)

Other than the above mentioned current liabilities, the Company has no short-term capital spending requirements and future plans and expectations are based on the assumption that the Company will realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. There can be no assurance that the Company will be able to obtain adequate financing in the future or if available that such financing will be on acceptable terms. If adequate financing is not available when required, the Company may be required to delay, scale back or eliminate various programs and may be unable to continue in operation. The Company may seek such additional financing through debt or future equity offerings. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

The Company's future revenues, if any, are expected to be from the mining and sale of mineral products or interests related there to. The economics of developing and producing mineral products are affected by many factors including the cost of operations, variations in the grade of ore mined, and the price of metals. Depending on the price of metals, the Company may determine that it is impractical to continue commercial production. The price of metals has fluctuated widely in recent years and is affected by many factors beyond the Company's control including changes in international investment patterns and monetary systems, economic growth rates, political developments, the extent of sales or accumulation of reserves by governments, and shifts in private supplies of and demands for metals. The supply of metals consists of a combination of mine production, recycled material, and existing stocks held by governments, producers, financial institutions and consumers. If the market price for metals falls below the Company's full production costs and remains at such levels for any sustained period of time, the Company will experience losses and may decide to discontinue operations or development of other projects or mining at one or more of its properties at that time.

TRANSACTIONS WITH RELATED PARTIES

There were no related party transactions during the six-month periods ended January 31, 2017 and 2016. Key management compensation was $nil for the six-month periods ended January 31, 2017 and 2016.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Company's interim condensed 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 interim condensed financial statements and the reported expenses during the period. Significant areas where judgment is applied include the carrying value and recoverability of mineral property costs and the valuations of the non-cash transactions. Actual results could differ from these estimates. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. The estimates and assumptions that have a significant risk of causing material adjustments to the Company's financial statements are addressed below.

i) The Impairment of exploration and evaluation assets. The net carrying value of each mineral property is reviewed regularly for conditions that indicate impairment. This review requires significant judgment as the Company does not have any proven and probable reserves that enable estimated future cash flows to be compared to the carrying values. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant decrease in the market price of the property; whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future and whether the Company has the necessary funds to be able to maintain its interest in the mineral property.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

ii) The inputs used for share-based compensation calculation. The Company provides compensation benefits to our consultants, directors and officers through a stock option plan. The fair value of each option award is estimated on the date of the grant using the Black-Scholes option pricing model. Expected volatility is based on historical volatility of the Company's share price. Historical data is utilized to estimate option exercises and forfeiture behavior with the valuation model. The risk-free rate for the expected term of the option is based on the Government of Canada yield curve in effect at the time of the grant.

iii) The valuations of shares issued in non-cash transactions using the quoted share price as the fair value based measurement on the date the shares are issued for the transaction.

FINANCIAL INSTRUMENTS AND RISKS

The Company's financial instruments consist of cash and cash equivalents, receivables, loans payable, contingent consideration and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

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

Credit risk

Credit risk arises from the non-performance by counterparties of contractual financial obligations. The Company's exposure to credit risk includes cash and cash equivalents and receivables. The Company reduces its credit risk by maintaining its bank accounts at large international financial institutions. Receivables are GST/HST due from Canadian government. The maximum exposure to credit risk is equal to the fair value or carrying value of the financial assets.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient liquidity to meet its financial obligations as they come due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company cautions that there are insufficient funds to meet its short-term business requirements, taking into account that there are no cash flows from operations and its holdings of cash and cash equivalents are inadequate to meet its anticipated obligations.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. As at January 31, 2017, the Company had a working capital deficiency of $30,071 (July 31, 2016 - $18,871). In order to meet its longer-term working capital, the Company intends on securing further financing to ensure that those obligations are properly discharged. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from the treasury of the Company, control of the Company may change, and shareholders may suffer additional dilution. If adequate financing is not available, the Company may be required to delay, reduce the scope of, or eliminate one or more operating activities. The Company's financial liabilities generally have contractual maturities of 30 days and are subject to normal trade terms. The Company does not have sufficient working capital to carry out all budgeted programs in fiscal 2018 and must secure additional financing during fiscal 2018 to avoid disruption in planned expenditures.

FINANCIAL INSTRUMENTS AND RISKS (CONTINUED)

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign currency and price risk.

a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company has non-material exposure at January 31, 2017 to interest rate risk through its financial instruments.

b) Foreign currency risk

The operations of the Company in the USA are subject to currency fluctuations where exploration and administrative expenses are being incurred in the local currency and USD. The Company's ability to advance funds to the USA is subject to changes in the valuation of the US Dollar as well as rules and regulations of the USA government. Fluctuations in the value of the US Dollar may have an adverse effect on the operations and operating costs of the Company. The appreciation of non- Canadian Dollar currencies against the Canadian Dollar can increase the cost of exploration and potential production in Canadian Dollar terms. The Company does not use derivatives to mitigate its exposure to foreign currency risk. The Company's statement of financial position contains CAD $NIL balances of cash, accounts payable in currencies other than its functional currency. The Company is thus exposed to foreign exchange risk. A +/-5% change on the USD: CAD rate relating to USD $Nil in assets could have an approximate impact of $Nil. The impact on US Dollar denominated current liabilities.

c) Price risk

The Company's exposure to price risk with respect to commodity and equity prices is minimal due to the fact that the Company is still in the exploration stage with no earnings. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company intends to closely monitor commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company when warranted.

OTHER INFORMATION

Off Balance Sheet Items

The Company has no off-balance sheet arrangements.

Going Concern

The condensed interim financial statements for the six-month period ended January 31, 2017 have been prepared on a going-concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. Several material uncertainties may cast a significant doubt on the validity of this assumption. The Company has incurred losses since inception and has no current source of revenue. Continuing operations, as intended, are dependent on management's ability to raise required funding through future equity issuances, its ability to acquire resource property or business interests and develop profitable operations or a combination thereof, which is not assured, given the volatile and uncertain financial markets.

Going Concern (continued)

These interim condensed financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. At January 31, 2017, the Company had a deficit of $50,209,555 (July 31, 2016 -$50,198,355) and a negative working capital of $30,071 (July 31, 2016 - $18,871).

There can be no assurance that the Company will be able to continue to raise funds, in which case the Company may be unable to meet its obligations. Should the Company be unable to continue as a going-concern, the net realizable values of its assets may be materially less than the amounts recorded on the statement of financial position.

Management of capital

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue suitable business opportunities and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. As the Company is in the exploration stage and has not achieved commercial operations from its projects, its principal source of funds is from the issuance of common shares.

In the management of capital, the Company includes the components of shareholders' equity (deficiency). The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue debt, in the future issue new shares, enter into joint venture property arrangements, acquire or dispose of assets or adjust the amount of cash and cash equivalents and investments.

In order to facilitate the management of its capital requirements, the Company prepares monthly and annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Board of Directors. The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments with maturities of three months or less from the original date of acquisition, selected with regards to the expected timing of expenditures from continuing operations. The Company is uncertain as to whether its current capital resources will be sufficient to carry its future exploration and development plans and operations through its current operating period and, accordingly, management is reviewing the timing and scope of current exploration plans and is also pursuing other financing alternatives to fund the Company's operations.

The Company is currently subject to externally imposed capital requirements being a partially cease trade order from the BCSC. There are no changes in the Company's approach to capital management.

Outstanding Share Data

The table below presents the Company's common share data as of February 01, 2018.

	Number of common shares	Share Price	Expiry Date
Common Shares, issued and outstanding *	**5,142,226**	**N/A**	**N/A**
Stock options convertible into common shares	**Nil**	**N/A**	**N/A**
Warrants convertible into common shares	**Nil**	**N/A**	**N/A**
Total outstanding – fully diluted	**5,142,226**	**N/A**	**N/A**

* On December 6, 2011 the Company were placed under a Cease Trade order by the director of the BCSC. On February 23, 2016, the BCSC issued a Partial Revocation Order.

RISKS AND UNCERTAINTIES

Early Stage – Need for Additional Funds

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many risks common to such enterprises, including undercapitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investments and the likelihood of success must be considered in light of its early stage of operations. The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects when required. Although the Company would work with the BCSC and attempt to lift the cease trade order from the BCSC, there are no assurance that the Company would be successful. Further, although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable, especially in today's volatile and uncertain financial markets. Failure to obtain such additional financing could result in the delay or indefinite postponement of further business plans or exploration and development of properties.

Exploration and Development

Exploration for minerals is a speculative venture involving substantial risk. There is no certainty that the expenditures made by the Company and/or its subsidiaries will result in discoveries of commercial metal reserves.

Mining and development risks always accompany anticipated rewards, and uncertainties always exist where mineral properties are concerned. Uncertainties include the size, grade and recovery of naturally occurring mineral deposits. Although exploration and development efforts can outline a mineral deposit with a degree of certainty, ultimate grade and tonnages are never fully known until mining has been completed. Metal prices are also a significant factor in the development decision for a mineral property, as a mine may not be economically feasible in a period of depressed prices. Factors beyond the control of the Company may affect the marketability of any minerals discovered. Pricing is affected by numerous factors such as international economic and political trends, global or regional consumption and demand patterns, and increased production by current producers.

Operating Hazards and Risks

Mining operations involve many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of metals, any of which could result in damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage.

Foreign Country and Political Risk

The Company might from time to time pursue mineral properties in unstable political or economic countries. The Company would be subject to certain risks, including currency fluctuations and possible political or economic instability in certain jurisdictions, which may result in the impairment or loss of mineral concessions or other mineral rights. Mineral exploration and mining activities may be affected in varying degrees by political instability and government regulations relating to the mining industry. Any changes in regulations or shifts in political attitudes may also adversely affect the Company's business. Exploration may be affected in varying degrees by government regulations with respect to restrictions on future exploitation and production, price controls, export controls, foreign exchange controls, income taxes, expropriation of property, environmental legislation and mine and/or site safety. The Company does not presently own/pursue foreign exploration projects.

RISKS AND UNCERTAINTIES (CONTINUED)

Title Risks

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing.

Environmental Regulations, Permits and Licenses

The Company's operations are subject to various laws and regulations governing the protection of the environment, exploration, development, production, taxes, labor standards, occupational health and safety, waste disposal, and other matters. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in impositions of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a direction of stricter standards, and enforcement, and higher fines and penalties for non-responsibility for companies including its directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability for the Company and its directors, officers and employees. The Company intends to fully comply with all environmental regulations.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, 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 mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or productions costs or reduction in levels of productions at producing properties, or requirements abandonment, or delays in development of new mining properties.

Competition and Agreements with Other Parties

The mining industry is intensely competitive in all its phases. The Company competes with other companies that have greater financial resources and technical capacity. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future.

The Company may, in the future, be unable to meet its share of costs incurred under agreements to which it is a party, and it may have its interest in the properties subject to such agreements reduced as a result. Also, if other parties to such agreements do not meet their share of such costs, the Company may not be able to finance the expenditures required to complete recommended programs.

Cease Trade Order and partial Revocation Order from BCSC

In light of the Cease Trade Order issued by the BCSC on December 6, 2011, and the Partial Cease Trade order issued by the BCSC on February 23, 2016, there is no assurance that the Company would be successful in satisfying the requirements of the BCSC in lifting these orders and be able to trade again.

RISKS AND UNCERTAINTIES (CONTINUED)

Price Volatility of Public Stock

In recent years, securities markets have experienced extremes in price and volume volatility. The market price of securities of many early stage companies, among others, have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any market for the Company's shares will be subject to market trends generally and the value of the Company's shares on a stock exchange may be affected by such volatility.

Economic Conditions

Unfavorable economic conditions may negatively impact the Company's financial viability as a result of increased financing costs and limited access to capital markets.

Dependence on Management

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

Conflicts of Interest

The Company's directors and officers may serve as directors and officers, or may be associated with other reporting companies or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. If a conflict of interest arises, the Company will follow the provisions of the Business Corporations Act, British Columbia ("Corporations Act") in dealing with conflicts of interest. These provisions state, where a director/officer has such a conflict, that the director/officer must at a meeting of the board, disclose his interest and refrain from voting on the matter unless otherwise permitted by the Corporations Act. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith and in the best interests of the Company.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning Admiral Bay's general and administrative expenses and exploration and evaluation costs is provided in the Company's statement of loss and note disclosures contained in its interim condensed financial statements for the six-month period ended January 31, 2017. These statements are available on SEDAR - Site accessed through www.sedar.com.

Dividends

The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the board of directors and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors deem relevant

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE (CONTINUED)

Management's Responsibility for Financial Statements

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements. In contrast to the certificate required under National Instrument 52-109 Certificate 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 are not making 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 Company 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 Company's GAAP.

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 this 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.

Nature of the Securities

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company's securities should not constitute a major portion of an investor's portfolio.

Proposed Transactions

There are currently no significant proposed transactions except as otherwise disclosed in this MD&A. Confidentiality agreements and non-binding agreements may be entered into from time to time, with independent entities to allow for discussions of the potential acquisition and/or development of certain properties.

Approval

The Board of Directors oversees management's responsibility for financial reporting and internal control systems through an Audit Committee. This Committee meets periodically with management and annually with the independent auditors to review the scope and results of the annual audit and to review the financial statements and related financial reporting and internal control matters before the financial statements are approved by the Board of Directors and submitted to the shareholders of the Company. The Board of Directors of the Company has approved the financial statements and the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE (CONTINUED)

Forward Looking Information

Certain statements in this document constitute "forward-looking statements" and are based on current expectations and involve risks and uncertainties, referred to above and or in Admiral's interim condensed financial statements for the six-month period ended January 31, 2017, that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in the forward-looking statements. Examples of such forward looking statements include statements regarding financial results and expectations for 2018, future anticipated results of exploration programs and development programs including, but not limited to, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations, metal prices, demand for metals, currency exchange rates, political and operational risks inherent in mining or development activities, legislative factors relating to prices, taxes, royalties, land use, title and permits, importing and exporting of minerals, environmental protection, expenditures on property, plant and equipment, increases and decreases in reserves and/or resources and anticipated grades and recovery rates and are or may be based on assumptions and/or estimates related to future economic, market and other conditions. This list is not exhaustive and should be considered carefully by prospective investors, who should not place undue reliance on such forward-looking statements. Factors that could cause actual results, developments or events to differ materially from those anticipated include, among others, the factors described or referred to elsewhere herein including, without limitation, under the heading "Risks and Uncertainties" and/or the financial statements and include unanticipated and/or unusual events as well as actual results of planned exploration and development programs and associated risk. Many of such factors are beyond Admiral Bay's ability to control or predict. Actual results may differ materially from those anticipated. Readers of this MD&A are cautioned not to put undue reliance on forward looking statements due to their inherent uncertainty. Forward-looking statements are made based upon management's beliefs, estimates and opinions on the date the statements are made, which management believes are reasonable, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law. These forward-looking statements should not be relied upon as representing management's views as of any date subsequent to the date of this MD&A. Additional information, including interim and annual financial statements, circulars and other disclosure documents, may also be examined and/or obtained through the Internet by accessing the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") website at www.sedar.com.