



## **Interim MD&A – Quarterly Highlights (the “Quarterly Highlights”) For the three and six month periods ended June 30, 2016**

**Dated: August 9, 2016**

### **INTRODUCTION**

The following Management Discussion & Analysis – Quarterly Highlights (“Quarterly Highlights”) of GoldTrain Resources Inc. (*the “Company” or “GoldTrain”*) has been prepared to provide material updates to the business operations, liquidity and capital resources of the Corporation since its last management discussion & analysis, being the Management Discussion & Analysis (“Annual MD&A”) for the fiscal year ended December 31, 2015. This Quarterly Highlights does not provide a general update to the Annual MD&A, or reflect any non-material events since date of the Annual MD&A.

This Quarterly Highlights has been prepared in compliance with the requirements of section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51- 102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with Annual MD&A, the audited financial statements of the Company for the years ended December 31, 2015 and 2014 and the unaudited interim financial statements for the three and six months ended June 30, 2016 and 2015, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the three and six months ended June 30, 2016 and 2015 are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as at August 9, 2016 unless otherwise indicated.

The unaudited interim financial statements for the three and six months ended June 30, 2016, have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited interim financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting.

External auditors, appointed by the shareholders, have not audited or reviewed the financial statements for the three and six months ended June 30, 2016 and 2015 and did not perform the tests deemed necessary to enable them to express an opinion on these unaudited financial statements.

For the purposes of preparing this Quarterly Highlights, management, in conjunction with the Board of Directors, 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 GoldTrain’s common shares; or (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 of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company is available at [www.sedar.com](http://www.sedar.com).

## **CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS**

This Quarterly Highlights includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. In the event that the Company is able to acquire a suitable mining property, such risks and uncertainties include, but are not limited to, risks associated with the mining industry (including operational risks in exploration development and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections in relation to production, costs and expenses; the uncertainty surrounding the ability of the Company to obtain all permits, consents or authorizations required for its operations and activities; and health safety and environmental risks), the risk of commodity price and foreign exchange rate fluctuations, the ability of GoldTrain to fund the capital and operating expenses necessary to achieve the business objectives of GoldTrain, the uncertainty associated with commercial negotiations and negotiating with foreign governments and risks associated with international business activities, as well as those risks described in public disclosure documents filed by the Company. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in securities of the Company should not place undue reliance on these forward-looking statements.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive. The forward-looking statements contained in this press release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The forward-looking statements are expressly qualified by this cautionary statement.

## **CORPORATE OVERVIEW AND OUTLOOK**

GoldTrain is a junior exploration company engaged in exploration for mineral deposits in the Northern Ontario region of Canada. The Company continues to focus on the Missinabie and Nudulama properties and continues to consider expanding these properties or adding new properties to its portfolio. The Company is in the early exploration stage with respect to all of its properties. The Company has not presently determined whether any of its mineral rights contain mineral reserves that are economically recoverable. The Company is listed on the Canadian Securities Exchange under the symbol GT.



## HIGHLIGHTS

At the Company's Annual and Special Meeting of shareholders on December 29, 2016, the shareholders approved a consolidation of its issued and outstanding common shares, warrants and options. The board of directors had determined that the ratio for the proposed share consolidation be completed on a basis of 20 pre-consolidated shares, warrants or options for each post-consolidation share, warrant or option. On April 29, 2016, the Company filed articles of amendment to complete this consolidation.

## OVERALL PERFORMANCE

The Company has no revenues, so its ability to ensure continuing operations is its ability to obtain necessary financing to complete the acquisition and development of potential mining properties.

The net loss and comprehensive loss for the six months ended June 30, 2016 was \$29,031 (\$0.01 per share) as compared to \$34,908 (\$0.01 per share) for the six months ended June 30, 2015. Net loss for the period has decreased slightly from the prior periods due to a reduction in consulting fees as the Company is no longer accruing salary for the Companies former CEO.

The net loss and comprehensive loss for the three months ended June 30, 2016 was \$13,162 (\$0.00 per share) as compared to \$20,499 (\$0.01 per share) for the three months ended June 30, 2015. Net loss for the period has decreased slightly from the prior periods due to a reduction in consulting fees as the Company is no longer accruing salary for the Companies former CEO.

## LIQUIDITY AND FINANCIAL CONDITION

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2016, the Company had a working capital deficiency of \$537,451 (December 31, 2015 – \$508,420), consisting of current assets of \$178 (December 31, 2015 - \$5) to settle current liabilities of \$537,629 (December 31, 2015 - \$508,420). The ability of the Company to continue to pursue its activities and continue as a going concern is dependent on its ability to secure additional equity or other financing. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

The Company currently is not able to internally finance on-going operating costs of its businesses over the long term and therefore will require additional financing by means of issuing share capital, advances from related parties, or other sources. The Company's ability to continue as a going concern is dependent upon financing arrangements for exploration activities and dependent on arrangements for services to the Company made by its directors and officers and other service providers without immediate compensation, as well as small loans from time to time from certain directors and significant shareholders. In addition, the Company will require additional financing in order to assist in the search, and, if warranted, acquisition of a business opportunity. There can be no certainty of the Company's ability to raise additional financing through private placements, advances or small loans from related parties, or other sources to fund these activities. Consequently the Company is subject to liquidity risks.

These financial statements have been prepared in accordance with accounting principles applicable to a going concern, which assumes that the Company will be able to meet its



obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and the Company's financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

For the six month period ended March 31, 2016, the Company had an opening cash balance of \$5 (Year ended December 31, 2015 - \$Nil). The cash balance increased by \$173 (Year ended December 31, 2015 - \$1) mainly from the small loans from related parties of \$25,000 (Year ended December 31, 2015 - \$31,500) offset by operating loss for the three month period ended June 30, 2016.

As at June 30, 2016, the Company had a working capital deficiency of \$537,451 (December 31, 2015 - \$508,420), had not yet achieved profitable operations, had accumulated losses of \$2,978,318 (December 31, 2015 - \$2,949,287) and expects to incur further losses in the development of its business, all of which casts significant doubt upon the Company's ability to continue as a going concern.

## MINERAL PROPERTIES

Some mineral properties which GoldTrain owns are those formerly owned by Goldwright Explorations Inc. In addition, in 2010 GoldTrain acquired or entered into agreements to acquire some additional claims adjoining or close to its Missinabie Property and in 2011 acquired the Nudulama Property.

GoldTrain has focused on mineral exploration in Northern Ontario. The 100% owned Brackin Gold Property (also known as the "Missinabie") now consists of 7 claims of which 6 are contiguous (covering approximately 1,142 hectares) in Brackin and Leeson Townships, Sault Ste Marie Mining Division, Ontario located 100 km northeast of Wawa, Ontario. In 2011, the Company acquired a 100% interest in 11 patented and 11 leased claims in Leeson Township (Nudulama Property) approximately 85 kilometers northeast of Wawa, Ontario. The patented claims are adjacent to the Missinabie Property. GoldTrain had previously acquired 2 additional staked claims (25 units covering approximately 400 hectares) adjoining the Nudulama property to the north.

The Company intends to focus on the Missinabie and Nudulama Properties and to consider expanding these properties or adding new properties to its portfolio.

Technical reports prepared in accordance with National Instrument 43-101 have been prepared for each the Brackin Gold Property. They may be found on the Company's site on SEDAR at [www.SEDAR.com](http://www.SEDAR.com).

### (a) Exploration activities

**Missinabie Property:** In the summer of 2009, the Company undertook a channel-sampling program on its 100% owned Missinabie Property. A total of 14 samples were taken, the highlights of which are as follows:

1. 21.6 grams per tonne gold ("g/t Au") over a channel length of 2.0 metres ("m") (Samples 439253 and 439254)
2. 10.59 g/t Au over a channel length of 3.00 m including 27.9 g/t Au over 1.0 m

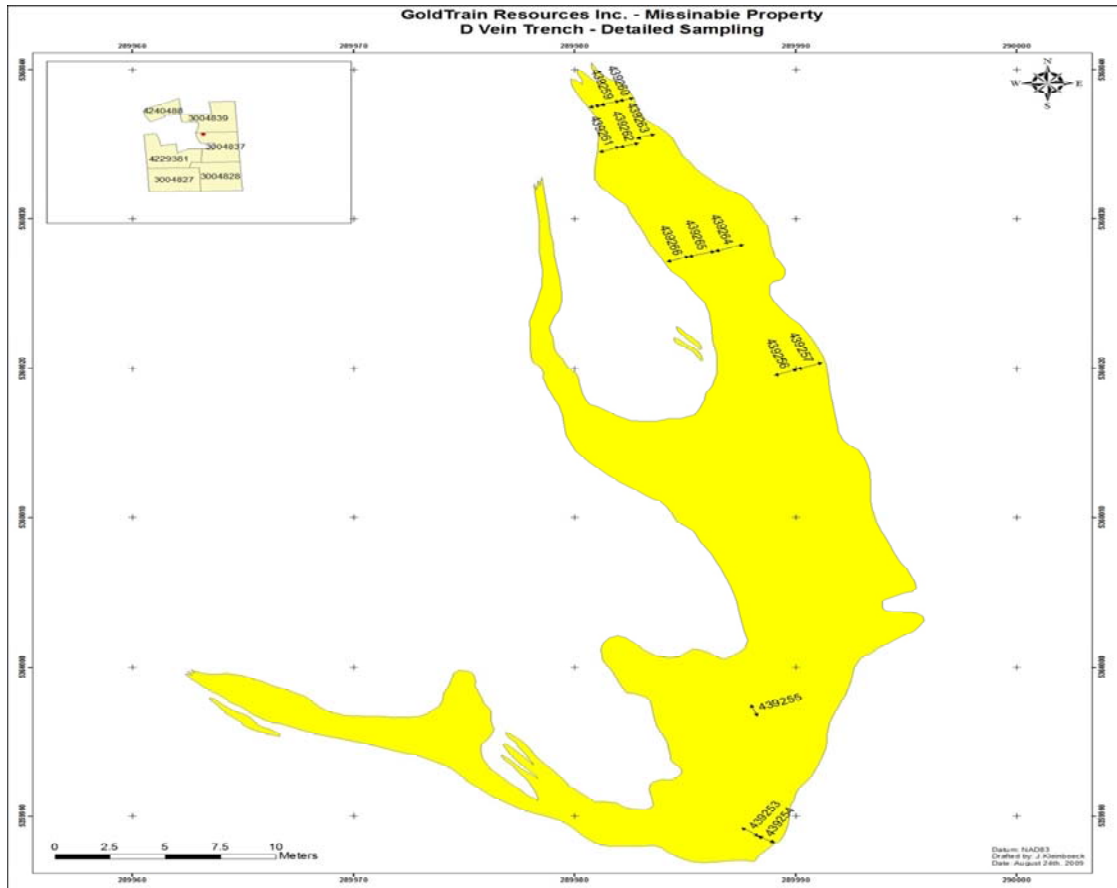


- (Samples 439258, 439259 and 439260)
- 3. 9.82 g/t Au over a channel length of 0.65 m  
(Sample 439255)
- 4. 5.69 g/t Au over a channel length of 2.0 m including 10.85 g/t Au over 1 m  
(Samples 439256 and 439257)
- 5. 2.11 g/t Au over a channel length of 3.0 m including 5.04 g/t Au over 1 m  
(Samples 429261, 429262 and 429263)
- 6. 0.65 g/t Au over a channel length of 3.0 m including 0.9 g/t Au over 1 m  
(Samples 439264, 439265 and 439266)

All samples returned significant gold values ranging from a low of 0.27 g/t Au to a high of 27.9 g/t Au. The sample locations are shown in map set out below and the recent mapping has demonstrated that there is considerable potential to expand the widths of high grade values particularly in the hinge zone and along the limbs. The surface exposure of the D-vein consists of a folded quartz vein that averages approximately 3 m in width along an exposed strike length of 80 m. The veining and associated mineralization obtains widths of greater than 6 m at the hinge of the fold.

The complete results of the channel sampling program are shown in the table below.

Sample #	Vein	Length (m)	g/t Au	oz/t Au
439253	D-vein Hinge	1.00	22.6	0.66
439254	D-vein Hinge	1.00	20.6	0.60
439255	D-vein Hinge	0.65	9.82	0.29
439256	D-vein East Limb	1.00	10.85	0.32
439257	D-vein East Limb	1.00	0.53	0.02
439258	D-vein East Limb	1.00	27.9	0.81
439259	D-vein East Limb	1.00	1.08	0.03
439260	D-vein East Limb	1.00	2.79	0.08
439261	D-vein East Limb	1.00	1.01	0.03
439262	D-vein East Limb	1.00	5.04	0.15
439263	D-vein East Limb	1.00	0.27	0.01
439264	D-vein East Limb	1.00	0.9	0.03
439265	D-vein East Limb	1.00	0.47	0.01
439266	D-vein East Limb	1.00	0.59	0.02



In March 2010, the Company announced the assay results from its Phase 1 diamond-drilling program on its Missinabie Property. The program consisted of 623 m of drilling in four (4) drill holes along a strike length of approximately 200 m. The drill holes tested the “D vein” and “D structure” for near-surface mineralization to a maximum vertical depth of 125 m. The “D structure” is a north-south trending shear zone that is part of a larger system of north-south and east-west trending shear zones that host significant gold mineralization, most notably the former gold-producing Renabie Mine (historical production of 5,583,000 tons with an average grade of approximately 0.20 oz Au/ton).

Drill hole MI10-01 tested the “D Vein” where significant gold mineralization was encountered during a trenching and sampling program completed by GoldTrain (see press release dated September 9, 2009). Drill holes MI10-02 through MI10-04 tested the “D structure” over a strike length of 200 m; three holes encountered significant gold mineralization.

1. Drill hole MI10-03 intersected multiple zones including:
  - 24.80 m grading 0.56 g/t Au, including a higher grade interval within this zone grading 2.55 g/t Au over 2.20 m, and
  - 2.00 m grading 0.62 g/t Au.
2. Drill hole MI10-02 intersected multiple zones of gold mineralization including 3.40 m grading 1.09 g/t Au, 5.60 m grading 0.47 g/t Au, and 9.00 m grading 0.31 g/t Au.
3. Drill hole MI10-01 intersected 1.51 m grading 0.67 g/t Au.



Hole #	Easting	Northing	From	To	Interval (m)	Grade (g/t Au)
MI-01	289952	5360048	7.23	8.74	1.51	0.667
MI-02	289802	5360176	15.90	19.30	3.4	1.09
			26.60	32.20	5.6	0.47
			62.70	71.70	9	0.31
MI-03	289866	5360108	20.50	22.50	2	0.62
			33.40	58.20	24.8	0.56
	including		56.00	58.20	2.2	2.55
MI-04	289911	5360023			No significant values	

The Phase 1 program has successfully identified the presence of significant gold mineralization encountered at shallow depths. These results will help to identify and prioritize additional drill targets for a Phase 2 diamond drilling program. Those exploration activities led the Company to stake additional claims adjoining its original claim block.

In January 2012, GoldTrain received assay results from a recently completed channel sampling program on the Missisnabie/Nudulama claims currently held by GoldTrain. Highlights include 2.12 g/t Au over a length of 8.8 meters (Samples 266857 to 266865) and 3.96 g/t Au over 1.3 meters (sample 266871). Some of the highest individual sample results occurred in massive Tonalite at the northern and southern edges of the exposed bedrock (samples 266857 and 266871 respectively) which leaves the width of gold bearing zone open for expansion.

Complete channel sample results from the portal area are detailed in the Table below:

Sample Number	Grade g/t Au	Width (m)	Notes
266857	5.96	1.00	Massive Tonalite
266858	0.749	1.00	Massive Tonalite
266859	1.26	0.80	Massive Tonalite
266860	0.866	1.20	Sheared Tonalite
266861	4.92	1.00	Sheared Tonalite
266862	0.234	1.30	Sheared Tonalite
266863	3.89	0.70	Massive Qtz. Vein
266864	1.095	1.00	Massive Qtz. Vein
266865	1.105	0.80	Massive Qtz. Vein
266866	0.046	1.20	Sheared Tonalite
266867	0.016	1.00	Sheared Tonalite
266868	0.005	1.50	Sheared Tonalite
266869	0.01	1.50	Sheared Tonalite
266870	0.481	1.50	Massive Tonalite
266871	3.96	1.30	Massive Tonalite



In September 2011, GoldTrain completed the purchase of a 100% interest in 11 patented claims in Leeson Township approximately 85 kilometers northeast of Wawa, Ontario (the “**Patented Claims**”) from Lithium One Inc. (the “**Vendor**”). The Patented Claims are adjacent to the Renabie Mine Property and adjacent to GoldTrain’s Missinabie Property.

As part of the same agreement, in December 2011 GoldTrain completed the purchase of 2 mining leases comprised of 11 leased claims, which are located a few kilometers north of the Patented Claims. The transfer of the leased claims was subject to the consent of the Ontario Ministry of Northern Development, Mines and Forestry. All required consents were obtained and the Leased Claims were transferred from the vendor to GoldTrain.

The Nudulama property acquired by GoldTrain is reported to have a historical resource of 369,000 tons at an average grade of 0.13 oz/t Au (47,000 contained ounces of gold). The east zone of the historic Nudulama property was already 100%-owned by GoldTrain and is reported to have a historic resource of 53,000 tons at an average grade of 0.13 oz/t Au (6,900 contained ounces of gold). This would give the combined properties a historical resource of 422,000 tons above the 650 feet level containing approximately 54,000 contained ounces of gold (Tenoga Consultants Inc. 1988). *(These historical resource estimates pre-dated NI 43-101 and, accordingly, are non-compliant with the requirements of NI 43-101 and, therefore, cannot be relied upon. A qualified person, as defined in NI-43-101, has not performed sufficient work on the Nudulama Property to classify the historical resource estimates as mineral resources or mineral reserves. GoldTrain is not treating the historical resource estimates as current mineral resources or mineral reserves.)*

The Nudulama property was developed during the 1947-1951 period at which time a shaft was sunk to the 1050-foot level. In 1985 to 1987, a ramp was developed down to the 150-foot level and approximately 85,000 tons of ore was shipped to Kidd Creek as smelter flux. The portal for the ramp and the shaft are situated on the claims currently held by GoldTrain while the underground workings are on both sets of claims – those currently held by GoldTrain and those acquired by GoldTrain from the vendor. There are five (5) levels developed down to the 725-foot level. The potential strike length is estimated to be in excess of 800 metres. There are reports that there are several other gold-bearing veins on the property including the Dulama No. 2 Vein which is reported to have a diamond drill intersection of approximately 39.6 metres (130 feet) with an average grade of 0.076 oz/t Au (39.6 metres of 2.6 g/t Au) (see <http://www.geologyontario.mndm.gov.on.ca/gosportal/gos?command=mndmsearchdetails:mdi&uid=MDI42B05NW00012> ).

Following acquisition of the Nudulama Property, GoldTrain designed an exploration program. During the month of March, 2012, GoldTrain completed 10 diamond drill holes totaling 1907.9 metres in the Nudulama area.

Of the ten drill holes completed, in April 2012 GoldTrain received assay results on the first six drill holes which are detailed below. The reported mineralized lengths represent core lengths. Drill hole NU12-01 targeted the projected plunge of the East Zone and returned trace to weakly anomalous gold values. Drill holes NU12-02 through to NU12-10 were completed on the Nudulama claims in the area of the historical resource.





DDH	From	To	Length (m)	Gold (g/t Au)
NU-12-02	65	67.3	2.3	1.075
including	66	66.6	0.6	2.320
NU-12-03	25.5	39.5	14	0.915
including	25.5	32.5	7	1.285
NU-12-04	64.8	81	16.2	1.225
including	68	71	3	5.500
NU-12-05	69.2	94	24.8	1.037
including	69.2	70	0.8	5.850
including	83	85	2	3.105
NU-12-06	42	60.8	18.8	2.148
including	42	42.6	0.6	2.997
including	46	57.4	11.4	2.661
including	55	57.4	2.4	4.899

In May 2012, GoldTrain received the final results for drill holes NU12-07 through to NU12-10. These holes were drilled on the Nudulama claims in the area of the historical resource.

DDH	From (m)	To (m)	Length (m)	Gold (g/t Au)
<b>NU-12-07</b>	171.2	173	1.8	2.395
including	172.2	173	0.8	4.745
NU-12-07	179	183	4	0.860
NU-12-07	199.6	200.4	0.8	2.920
<b>NU-12-08</b>	<b>144.3</b>	<b>161.5</b>	<b>17.2</b>	<b>1.320</b>
including	151.5	152.5	1	6.750
including	156.5	161.5	5	1.604
<b>NU-12-09</b>	<b>171.5</b>	<b>188</b>	<b>16.5</b>	<b>0.748</b>
including	177.5	182.4	4.9	1.105
<b>NU-12-09</b>	194.5	195.3	0.8	1.190
<b>NU-12-10</b>	<b>85</b>	<b>105.5</b>	<b>20.5</b>	<b>1.287</b>
including	86.8	89.5	2.7	2.109
including	94.5	98	3.5	3.336

## RELATED PARTY TRANSACTIONS

Key management includes the Company's directors, officers and any employees with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly.

<b>For the six month period ended June 30</b>	<b>2016</b>		<b>2015</b>	
<b>Balances:</b>				
Short-term employee benefits	<b>\$</b>	<b>1,000</b>	<b>\$</b>	18,000
Total compensation payable to key management	<b>\$</b>	<b>1,000</b>	<b>\$</b>	18,000

Certain corporate entities and consultants that are related to the Company's officers and directors or persons holding more than 10% of the issued and outstanding shares of the Company provide consulting and other services to the Company. All transactions were conducted in the normal course of operations and are measured at the exchange amounts, which is the amount of consideration established and agreed to by the related parties and are as follows:

During the six month period ended June 30, 2016, the Company was charged or accrued \$4,000 (2015 - \$1,000) for legal fees by a law firm of which a partner of the law firm is an indirect significant shareholder owning more than 10% of the outstanding shares of the Company.

Included in trade and other payables as at June 30, 2016 is \$38,000 (December 31, 2015 - \$15,000) owing to key management and related parties. In addition, included in trade and other payables at June 30, 2016 is \$310,000 (December 31, 2015 - \$301,000) owing to a former director or companies controlled by him and a law firm of which a partner of the law firm is an indirect significant shareholder owning more than 10% of the Company and an indirect significant shareholder owning more than 10% of the Company.

## PROPOSED TRANSACTIONS

None

## RISKS AND UNCERTAINTIES

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk and Uncertainties" in the Company's Annual MD&A for the fiscal year ended December 31, 2015, available on SEDAR at [www.sedar.com](http://www.sedar.com).

Dated this 9<sup>th</sup> day, of August, 2016.

