MAJESCOR RESOURCES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE THREE AND NINE MONTHS ENDED NOVEMBER 30, 2016

The following Management Discussion and Analysis ("MD&A") of the operations, results, financial position and future prospects of Majescor Resources Inc. (the "Company" or "Majescor"), current as of January 26, 2017, should be read in conjunction with the Company's condensed consolidated interim financial statements for the period ended November 30, 2016 and the annual audited consolidated financial statements for the year ended February 29, 2016, statements and related, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All financial results presented in this MD&A are expressed in Canadian dollars unless otherwise indicated.

Nature of Business

Majescor is a Canadian mineral exploration and development company incorporated under the *Canada Business Corporations Act*. The Company is engaged in the acquisition, exploration and development of mineral properties in Québec with the aim of discovering commercially exploitable deposits of minerals (primarily base metals, precious metals and Lithium), which can either be placed into production by the Company or disposed of for a profit to companies that wish to place such deposits into commercial production. The Company also continues to evaluate other opportunities outside its current areas of operations. The Company has not yet determined whether its properties contain mineral resources or mineral reserves.

Common shares of the Company are listed for trading on the Toronto Stock Exchange Venture Market (''TSX-V'') under the symbol "MJX". Majescor's head office is located in Ottawa, Ontario.

Going concern assumption

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Given that the Company has not yet determined whether its mineral properties contain mineral deposits that are economically recoverable, the Company has not yet generated revenues, net income nor cash flows from its operations. The Company has incurred a loss of $818,449 (2015 – gain of $1,151,388, including a gain on deconsolidation of $1,257,022) during the nine months ended November 30, 2016 and has an accumulated deficit of $40,488,177 (February 29, 2016 - $39,669,728). These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

As at November 30, 2016, the Company had working capital surplus of $32,587 (February 29, 2016 - deficiency of $22,202), including $147,377 (February 29, 2016 - $63,987) in cash and current liabilities totalling $145,819, including flow through shares premium liability of $Nil (February 29, 2016 - $102,833). These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The Company must secure additional funding to be able to discharge its liabilities and to fund its ongoing working capital requirements. Management is evaluating various alternatives to secure the necessary financing so that the Company can continue as a going concern. Nevertheless, there is no assurance that these initiatives will be successful.

The carrying amount of assets, liabilities and expenses presented in the consolidated financial statements and the classification used in the consolidated statement of financial position have not been adjusted as would be required if the going concern assumption was not appropriate.

Those adjustments could be material.

Exploration

Majescor is a junior explorer with its active projects in Canada. Exploration expenditures during the three and nine months ended November 30, 2016 and 2015 as well as year ended February 29, 2016, are as follows:

	Three months ended		**Nine months ended**		Year ended
	November 30, 2016	November 30, 2015	**November 30, 2016**	November 30, 2015	February 29, 2016
	$	$	$	$	$
Rupert					
Analysis	**-**	-	**8,000**	-	-
Logistics	**-**	-	**7,790**	-	-
Sampling	**-**	-	**6,500**	-	-
	-	-	**22,290**	-	-
Montagne B					
Option payments	**-**	-	**250,000**	-	-
Logistics	**-**	-	**50,963**	-	-
Sampling	**-**	-	**9,774**	-	-
Report preparation	**-**	-	**4,500**	-	-
	-	-	**315,237**	-	-
Eastmain					
Claim acqusition	**2,212**	-	**2,212**	-	26,352
Logistics	**70,467**	-	**70,467**		-
Geology/Data	**-**	-	**30,000**	-	100,000
Sampling	**25,977**	-	**25,977**		-
Report preparation	**9,000**	-	**9,000**		-
	107,656	**-**	**137,656**	**-**	**126,352**
Nelly Neilson					
Analysis	**6,000**		**6,000**		
Logistics	**28,650**		**28,650**		
Sampling	**6,000**		**6,000**		
	40,650	**-**	**40,650**	**-**	**-**
Mistassini					
Claim renewals	**-**	**-**	-	5,485	5,485
SOMINE					
General field expenses	**-**	**-**	-	1,547	1,547
Totals	**148,306**	**-**	**515,833**	**7,032**	**133,384**

As of August 31, 2015, Majescor disposed of a significant portion of its interest in SOMINE and as a result of the deconsolidation in the financial statements the SOMINE exploration expenses have been reclassified on the Condensed Consolidated Interim Statements of Operations. The table above reflects both the exploration expenditures incurred in Majescor and SOMINE prior to the loss of control and deconsolidation. Despite having a minority interest in SOMINE, Majescor no longer intends to fund any of SOMINE's exploration activities in the future.

James Bay Quebec – Eastmain project

The James Bay claims, which cover 2752 ha, are located near new Route 167, 320 km N of Chibougamau. They are within the favorable Opinaca metasedimentary Subprovince, which has numerous gold mines, deposits and occurrences, including Goldcorp's Eléonore Gold Mine (8+Moz Au, in production), Eastmain Resources' Eau Claire gold deposit (0.9M oz Au, at feasibility) and the Eastmain (Resources) Gold Mine (0.25Moz Au, open at depth and along strike).

The claims were acquired using DIAGNOS' property Computer Aided Resource Detection System (CARDS) to target the gold potential in the James Bay area of Quebec. The CARDS system uses powerful pattern recognition algorithms to analyse digitally compiled exploration data, and identifies areas (targets) with geochemical, geological and geophysical signatures similar to areas of known mineralization. The Eastmain database modelling included: 1) levelled and merged airborne magnetic surveys of the James Bay area; 2) topography; and 3) over 800 compiled assays (356 with Au = 1 g/t Au) from Quebec government-registered drill hole assays and surface samples. Based on analysis, and on known lithology and structural geology in the region, over 12 high priority gold targets have been identified and staked.

Central Quebec – Montagne B project

On May 25, 2016, the Company entered into an option agreement with Genius Properties Ltd. and two other vendors to purchase 100% of the Montagne B lithium properties (approximately 708 hectares) in central Quebec.

The Company issued 2,500,000 common shares and made a cash payment of $25,000 to the optionors of the property, upon receipt of final approval from the TSX Venture, and were required to make an issuance of 2,500,000 common shares and a second and final payment of $25,000 on November 25, 2016 to acquire 100% of the properties. The Montagne B properties are subject to a 2% NSR of which 50% can be purchased by Majescor for $1,000,000.

The Montagne B properties were originally staked by Osisko Exploration (Virginia Gold Mines Inc.) in 2003, at the same time when Osisko acquired the Montagne A property from Inco. Since that time, the Montagne A property has been developed into Nemaska Lithium's World Class Whabouchi lithium deposit (28 million tonnes Measured and Indicated Resources at 1.57 wt.% Li_2O: (see www.nemaskalithium.com). The Whabouchi deposit comprises a granitic pegmatite dike that extends for 1.2 km and is up to 40 m wide at surface. In comparison, the Montagne B properties have at least two untested granitic pegmatite dikes that each extend for over 3 km and 1.6 km in length each. The Montagne B pegmatites are part of a large and highly prospective dike swarm of differentiated pegmatites with lithium, tantalum, niobium, and beryllium that extends over a strike length of 110 km. To management's knowledge, the Montagne B properties have never been explored for these commodities.

On June 15, 2016, the Company entered into an option agreement to acquire two blocks of claims totaling 5.2 square kilometres that are located respectively south east from the Whabouchi lithium deposit of Nemaska and south west from the Cyr deposit which is actively explored by Galaxy Lithium.

Prior to November 25, 2016, management received and reviewed the initial exploration results received on the property, and based on those results provided a termination notice to the Optionors and returned the property.

James Bay Quebec – Rupert Lithium project

Per the option agreement, the Company has the right to acquire 100% interest in the claims for $20,000. $10,000 is payable in cash and the Company must issue $10,000 worth of common shares. Majescor is also required to incur $4,000 in exploration expenditure per claim over a two-year period. As at the date of the MD&A the Company has not made any cash or common share payments.

The claims will be subject to a 1% net smelter royalty, with Majescor having the right to purchase 0.5% of the royalty for $1,000,000.

At this time, the project includes two blocks of claims totaling 5.2 square kilometres that are located respectively south east from the Whabouchi lithium deposit of Nemaska and south west from the Cyr deposit which is actively explored by Galaxy Lithium. The claims cover consistent lithium anomalies in lake sediment within a pegmatite field and are road accessible. These anomalies will be tested from surface prospecting and by soil geochemistry.

Qualified person

The above technical information was prepared, confirmed and/or reviewed by Rémi Charbonneau, P.Geo. (Québec), and a qualified person under NI 43-101.

Financial Information

The following selected financial data is derived from the Company's condensed consolidated interim financial statements.

	Three months ended		**Nine months ended**	
	November 30, 2016	November 30, 2015	**November 30, 2016**	November 30, 2015
	$	$	$	$
Exploration and evaluation expenditures	**173,306**	-	**515,833**	5,485
General and administrative	**77,905**	35,762	**214,598**	117,318
Stock based compensation	**92,200**	-	**157,300**	-
Gain on settlement of payables	**-**	(862)	**-**	(159,916)
Interest and other income	**8**	-	**16,702**	-
Income tax recovery	**26,754**	-	**52,580**	
Net (loss) gain from continued operations	**(316,649)**	(34,920)	**(818,449)**	35,439
(Loss) from operations of SOMINE	**-**	-	**-**	(141,073)
Gain on deconsolidation of SOMINE	**-**	29,342	**-**	1,257,022
(Loss) gain attributable to equity holders of the Parent Company	**(316,649)**	(5,578)	**(818,449)**	1,182,777
Gain (loss) attributable to non-controlling interest	**-**	-	**-**	(31,389)
Basic and diluted (loss) gain per share	**(0.01)**	-	**(0.03)**	0.09

	November 30, 2016	February 29, 2016
	$	$
Statement of Financial Position		
Cash	**147,377**	63,987
Accounts receivable	**30,369**	14,710
Prepaid expenses	**660**	1,934
Total assets	**178,406**	80,631
Trade payables	**145,819**	102,833
Equity attributable to equity holders of the Parent Company	**32,587**	(22,202)

	November 30, 2016	November 30, 2015
	$	$
Cash Flows		
Cash flows used in operating activities	**(460,110)**	(69,496)
Cash flows used in investing activities	**-**	(382)
Cash flows provided by financing activities	**543,500**	-
Net increase(decrease) in cash and cash equivalents	**83,390**	(69,878)

Since its incorporation, the Company has not paid any cash dividends on its outstanding common shares. Any future dividend payment will depend on the Company's financial needs to fund its exploration programs and its future growth, and any other factor that the board may deem necessary to consider. It is highly unlikely that any dividends will be paid in the near future.

Results of Operations

General and administrative expenses

General and administrative costs ("G&A") include only the Company's head office are summarized as follows:

	Three months ended November 30, 2016	Three months ended November 30, 2015
Management and consulting fees	**$ 29,260**	$ 12,757
Travel and promotion	**5,270**	173
Shareholder information	**17,526**	2,136
Professional fees	**16,480**	5,830
Office and general expenses	**9,369**	14,840
	$77,905	$35,736

Total G&A increased by $42,169 in the three months ended November 30, 2016, over the comparative period, mainly due to the following changes:

Management and consulting fees

Management and consulting fees increased by $16,503 over the comparative period. The increase was due to the CEO charging consulting fees in 2016. There were no consulting fees charged by the CEO in 2015.

Professional fees

Professional fees increased by $10,650 over the comparative period. The increase in professional fees is due to increase in audit accrual estimates as well as corporate tax return fees.

Shareholder information and regulatory fees
Shareholder information and regulatory fees increased by $15,390 over the comparative period. The increase was due to the TSX Venture filings fees relating to property acquisitions and private placement in 2016. There was no such activity in 2015.

Office and general expenses
The office and general expenses decreased by $5,471 over the comparative period. The decrease is due to cost cutting measures implemented by the Company in the prior year.

	Nine months ended November 30, 2016	Nine months ended November 30, 2015
Management and consulting fees	**$ 93,579**	$ 30,576
Travel and promotion	**11,624**	1,419
Shareholder information and regulatory fees	**36,954**	7,401
Professional fees	**45,309**	32,430
Office and general expenses	**27,132**	45,492
	$214,598	$ 117,318

Management and consulting fees
Management and consulting fees increased by $63,003 over the comparative period. The increase was due to the CEO charging consulting fees in 2016. There were no consulting fees charged by the CEO in 2015.

Travel and promotion expense
Travel and promotion expense increased by $10,205 over the comparative period. The increase was due to Majescor attending multiple investment conferences in 2016. There were no investment conferences attended in 2015.

Shareholder information and regulatory fees
Shareholder information and regulatory fees increased by $29,553 over the comparative period. The increase was due to the TSX Venture filings fees relating to property acquisitions and private placement in 2016. There was no such activity in 2015.

Office and general expenses
The office and general expenses decreased by $18,360 over the comparative period. The decrease was due to cost cutting measures implemented by the Company in the prior year.

Quarterly information

The following summarized financial data has been prepared in accordance with IFRS and should be read in conjunction with the Company's condensed consolidated interim financial statements and the audited consolidated annual financial statements for the respective periods.

Quarter Ended	Other Income	Gain on deconsolidation	Net (Gain) Loss	Basic and diluted Net (Gain) Loss per common share
	$	$	$	$
11/30/2016	8	-	316,649	0.01
8/31/2016	-	-	376,380	0.02
5/31/2016	16,694	-	125,390	0.00
2/29/2016	-	-	(30,069)	0.00
11/30/2015	-	(29,342)	5,578	0.00
8/31/2015	-	(1,227,680)	(1,198,327)	(0.09)
5/31/2015	26	-	41,361	0.00
2/28/2015	2,056	-	209,752	0.01

Liquidity and Capital Resources

As at November 30, 2016, the Company had cash of $147,377 (February 29, 2016 - $63,987) and current liabilities of $145,819 (February 29, 2016 - $102,833). All of the Company's financial liabilities have contractual maturities of less than 30 days, and are subject to normal trade terms. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as liquidity.

On May 11, 2016, the Company announced that it completed a private placement by issuing 6,230,000 units of the Company for gross proceeds of $311,500. Each unit consisted of (i) one common share of the Company at a price of $0.05 per common share and (ii) one common share purchase warrant. Each Warrant entitles the holder thereof to acquire one additional common share of the Company at a price of $0.07 per common share until May 11, 2018.

The Company has also issued 4,780,000 flow through common shares at a price of $0.05 per share of the Company for gross proceeds of $239,000.

In connection with the private placement, the Company paid a finder's fee of $37,000, and issued 124,000 finder's warrants, exercisable at $0.07 until May 11, 2018.

On December 4, 2016, the Company received $21,000 on the exercise of $300,000 warrants. The warrants had an exercise price of $0.07 and expired on May 12, 2018.

On December 9, 2016, the Company received $14,000 on the exercise of $200,000 warrants. The warrants had an exercise price of $0.07 and expired on May 12, 2018.

On January 4, 2017, the Company announced the closing of a $50,000 non-brokered private placement comprised of 416,666 flow-through common shares at $0.12 issued on December 31, 2016.

The Company generates cash flow primarily from its financing activities.

Capital management

When managing capital, the Company’s objective is to ensure the entity continues as a going concern as well as to achieve optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the acquisition, exploration and development of its mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management team to sustain the future development of the business. The Company considers its capital to be equity attributable to equity holders of the parent company, which is comprised of share capital, reserves and deficit which at November 30, 2016, totaled a surplus of $32,587 (February 29, 2016 – a deficit of $22,202).

The properties in which the Company currently has an interest are in the exploration stage. As such the Company is dependent on external financing to fund its activities. In order to carry out its planned exploration programs and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts when economic conditions permit it to do so. Management has chosen to mitigate the risk and uncertainty associated with raising additional capital in current economic conditions by:

- Minimizing discretionary disbursements;
- Focusing financing exploration expenditures on those properties considered to have the best potential; and
- Exploring alternative sources of liquidity.

In light of the above, the Company will continue to assess new properties and seek to acquire an interest in additional properties if the Company thinks there is sufficient potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate.

The Company’s capital management objectives, policies and processes have remained unchanged during the nine months ended November 30, 2016, as well as the year ended February 29, 2016.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months.

Off Balance Sheet Arrangements

As of November 30, 2016, and February 29, 2016, the Company has no off-balance sheet arrangements.

Related Party Transactions

Related parties include the Board of Directors and key management personnel, as well as, close family members and enterprises that are controlled by these individuals, as well as certain persons performing similar functions.

Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received.

Remuneration of directors and key management personnel of the Company was as follows:

		Three months ended		Nine months ended	
		November 30, 2016	November 30, 2015	**November 30, 2016**	November 30, 2015
Consulting fees, including director's fees		**$ 31,000**	$ 16,250	**$ 90,450**	$ 29,550
Share based compensation		**92,200**	-	**155,971**	**-**
Total		**$ 123,200**	$ 16,250	**$ 246,421**	$ 29,550

As at November 30, 2016, directors and key management personnel, as well as former officers and directors, were owed $18,235 (February 29, 2016 - $18,325) included in trade payables.

1) Management fees include $50,000 (2015 - $Nil) paid to a Company controlled by Andre Audet, the Company's Chief Executive Officer. As at November 30, 2016, $Nil (2015 - $Nil) payables were due to Andre Audet.

2) Management fees include $40,450 (2015 - $29,550) paid to Sabino Di Paola, the Company's current Chief Financial Officer and Corporate Secretary. As at November 30, 2016, accounts payable of $Nil (2015 - $Nil) were due to Sabino Di Paola.

Transactions with related companies

	Three months ended		Nine months ended	
	November 30, 2016	November 30, 2015	**November 30, 2016**	November 30, 2015
Everton Resources Inc. ("Everton")	**$ 2,260**	$ 2,260	**$ 8,899**	$ 6,780

Under an agreement, which was signed on March 25, 2013 between the Company and Everton, the Company reimbursed the cost of shared salaries and benefits, rent and office expenses paid by Everton (which shares common management).

Financial Instruments

The Company's financial instruments consist of cash, investment in SOMINE and trade payables.

The Company's financial investments measured at fair value consist of its investment in SOMINE and have been classified as level 3 within the fair value hierarchy.

Level 3 Hierarchy

The following table presents the change in fair value measurements of financial instruments classified as Level 3 for the nine months ended November 30, 2016 and the year ended February 29, 2016. These financial instruments are measured at fair value utilizing non-observable market inputs. The net realized losses and net realized gains are recognized in the consolidated statement of operations.

Investments, fair value	Nine months ended November 30, 2016		Year ended February 29, 2016	
Balance, beginning of the period	$	-	$	-
Deconsolidation of SOMINE		-		-
Balance, end of the period	**$**	**-**	$	**-**

Within Level 3, the Company includes private company investments which are not quoted on an exchange. The key assumptions used in the valuation of these instruments include (but are not limited to) the value at which a recent financing was done by the investee, company-specific information, trends in general market conditions and the share performance of comparable publicly-traded companies.

At November 30, 2016 and February 29, 2016, the investment in SOMINE, categorized as a level 3 hierarchy, had a fair value of $Nil using key valuation techniques and unobservable inputs relating to general market conditions.

As valuation of investments for which market quotations are not readily available, are inherently uncertain, may fluctuate within short periods of time and are based on estimates, determination of fair value may differ materially from values that would have resulted if a ready market existed for the investments.

For those investments value based on trends in general market conditions, the inputs used can be highly judgmental. A +/- 25% chance of change on the fair value of these investments would result in a corresponding +/- $Nil change in the total fair value of the investments. While this illustrates the overall effect of changing values of the unobservable inputs by a set percentage, the significance of the impact and the range of reasonable possible alternative assumptions may differ significantly between investments, given their different terms and circumstances. The sensitivity analysis is intended to reflect the significant uncertainty inherent in the valuation of private investments under current market conditions, and the results cannot be extrapolated due to non-linear effects that changes in valuation assumptions may have on the estimated fair value of these investments. Furthermore, the analysis does not indicate a probability of changes occurring and it does not necessarily represent the Company's view of expected future changes in the fair value of these investments. Any management actions that may be taken to mitigate the inherent risks are not reflected in this analysis.

Investor relations activity

The management of the Company has assumed the investor relations role.

Changes in Accounting Policies

There were no significant changes to the Company's accounting policies in the nine months ended November 30, 2016.

Change in management

The Company announces that Mr. C. Tucker Barrie is stepping down from his role as President and interim CEO of Majescor. Mr. André Audet, currently a Director of the Company, will temporarily fill the CEO position on an interim basis. On his departure, Mr. Barrie stated: "Over the last 3 years, we considered many potential opportunities in the natural resources industry, and in the end, the Majescor Board of Directors felt most comfortable with opportunities in Quebec. The Company now has a promising portfolio of early stage gold and lithium properties in Quebec, sufficient finances to advance these properties in the near term, and an excellent management team in place to lead the Company forward.” Mr. Barrie will remain as a technical advisor to the Company as he dedicates more time to his Economic Geology consultancy. The Board wishes him well in his other endeavours.

Critical Accounting Policies and Estimates

The preparation of the Financial Statements requires Management to make estimates and assumptions about the future that affect the amounts recorded in the Financial Statements. These estimates and assumptions are based on the Company’s experience and Management’s expectations about future events that are believed to be reasonable under the circumstances, and they are continually being evaluated based on new facts and experience. Actual results may differ from these estimates and assumptions. The effect of a change in an accounting estimate is recognized prospectively in the period of change and future periods if the change impacts both periods.

Outstanding Share Data

Common shares and convertible securities outstanding at January 26, 2017, are as follows:

Securities	Expiry date	Exercise price	Securities outstanding
Common shares	-	-	30,077,775
Warrants	Up to August 12, 2018	$0.07 to $0.12	10,630,000
Finder’s warrants	May 12, 2018	$0.07	124,000
Options	Up to October 21, 2021	$0.05 to $1.50	2,750,000

Proposed transactions

In the normal course of business, the Company evaluates property acquisition transactions and, in some cases, makes proposals to acquire such properties. These proposals, which are usually subject to Board and sometimes regulatory and shareholder approvals, may involve future payments, share issuances, and property work commitments. These future obligations are usually contingent in nature and generally the Company is only required to incur the obligation if it wishes to continue with the transaction.

Events after the reporting period

On December 4, 2016, the Company received $21,000 on the exercise of 300,000 warrants. The warrants had an exercise price of $0.07 and expired on May 12, 2018.

On December 9, 2016, the Company received $14,000 on the exercise of 200,000 warrants. The warrants had an exercise price of $0.07 and expired on May 12, 2018.

On January 4, 2017, the Company announced the closing of a $50,000 non-brokered private placement comprised of 416,666 flow-through common shares at $0.12 issued on December 31, 2016.

On January 19, 2017, the Company announced that it has map staked a number of new properties for gold and Diamond exploration in Quebec based on a thorough review of its exploration data base. The following is a brief summary of the recent acquisitions:

Mirabelli: two claim blocks totalling more than 2550 ha were acquired in close proximity to the

Radisson Road in the James-Bay area. They cover the source area of anomalous gold values in till (up to 40 grains recovered from heavy mineral concentrates) samples collected over a previously un-mapped probable Banded Iron Formation identified earlier by Majescor through high-resolution airborne geophysics. The anomalous sectors are to be followed up through glacial sediment sampling as early as possible this spring, in conjunction with grassroots work on the unexplored portions of the pluri-kilometric belt.

Laparre: The property, located in the Otish Mountains, totals 461 ha and covers anomalous kimberlitic indicator minerals (KIMs) counts in till. Ground follow up is planned for the next field season.

Nottaway: The claim block totalling 1899 ha is situated roughly 105 km west of the town of Matagami. It covers the probable head of a poorly defined, albeit very anomalous dispersal train of KIMs identified by RC drilling from glacial sediments. The recovery of counts of up to 300 KIMs from the basal section of the drill holes and the significant proportion of ilmenites (up to 30%) and garnets bearing fragile partial alteration mantles suggest proximity to source. A review of all available geophysical data over the property will be initiated in the near future. The higher priority anomalies are to be tested by ground geophysics and drilling later in 2017. A number of untested magnetic anomalies are already known to be present within the project area based on earlier geophysical work.

On January 26, 2017, the Company announced that it has staked additional ground on its Mirabelli gold project in Quebec following the review of its exploration data base.

The new claim block totalling 6,120 ha is located just to the southeast of the claims covering a probable Banded Iron Formation. The new ground covers the source areas of anomalous gold values in till (up to 67 gold grains in heavy mineral concentrates and up to 1 g/t Au from geochemical analyses of the fine fraction) samples collected over a previously un-mapped section of a greenstone belt identified earlier by Majescor through high-resolution airborne geophysics. The highly anomalous tills are to be followed up through additional sampling and boulder investigation as early as possible this spring.

Risk and uncertainties

Exploration of minerals and development of mineral properties involve significant risks, many of which are outside of the Company’s control. In addition to the normal and usual risks of exploration and mining, the Company often works in remote locations that lack the benefit of infrastructure and easy access.

Financial risk

The Company is considered to be in the exploration stage, that it is dependent on obtaining regular financing in order to continue exploration. Despite previous success in acquiring this financing, there is no guarantee of obtaining any future financing, or that it will be available on acceptable terms.

The prices of metals fluctuate widely and are affected by many factors outside of the Company’s control. The relative prices of metals and future expectations for such prices have a significant impact on the market sentiment for investment in mining and mining exploration companies.

Foreign exchange risk

Some of the Company’s expenditures are in US dollars. Movement in the Canadian dollar against these currencies therefore has a direct impact on the Company’s cost base. The Company does not use derivative instruments to reduce its exposure to foreign exchange risks.

Risk on the uncertainty of title

Although the Company has taken steps to verify title to mining properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title.

Risk on obtaining permits and licenses

The Company’s operations may require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects.

Environmental risk

The Company is subject to various environmental incidents that can occur during exploration work. The Company maintains an environmental management system including operational plans and practices.

Forward-looking information

This Management's Discussion and Analysis contains “forward-looking statements” within the meaning of Canadian securities legislation. These forward-looking statements are made as of the date of this Management's Discussion and Analysis.

In certain cases, forward-looking statements can be identified by the use of words such as “believe”, “intend”, “may”, “will”, “should”, “plans”, “anticipates”, “believes”, “potential”, “intends”, “expects” and other similar expressions. Forward-looking statements reflect our current expectations and assumptions, and are subject to a number of known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any anticipated future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements, the actual results of exploration activities, the estimation or realization of mineral reserves and resources, capital expenditures, costs and timing of the development of new mineral deposits, requirements for additional capital, future prices of precious and base metals, possible variations in ore grade or recovery rates, failure of plant, equipment or processes to operate as anticipated, accidents, labour disputes, road blocks and other risks of the mining industry, delays in obtaining governmental approvals, permits or financing or in the completion of development or construction activities, currency fluctuations, title disputes or claims limitations on insurance coverage and the timing and possible outcome of pending litigation and the timing or magnitude of such events are inherently risky and uncertain.

Key assumptions upon which the Company’s forward-looking statements are based include the following:

- the Company will be able to secure new financing to continue its exploration, development and operational activities;
- there being no significant changes in the ability of the Company to comply with regulatory requirements; and
- the Company’s operating costs will not increase significantly.

These assumptions should be considered carefully by investors. Investors are cautioned not to place undue reliance on the forward-looking statements or the assumptions on which the Company’s forward-looking statements are based.

Investors are advised to carefully review and consider the risk factors identified in this Management's Discussion and Analysis under the heading “Risk Factors” for a discussion of the factors that could cause the Company’s actual results, performance and achievements to be materially different from any anticipated future results, performance or achievements expressed or implied by the forward-looking statements. Investors are further cautioned that the foregoing list of assumptions is not exhaustive and it is recommended that prospective investors consult the more complete discussion of the Company’s business, financial condition and prospects that is included in this Management's Discussion and Analysis and other documents available under the Company's profile on SEDAR at www.sedar.com. The forward-looking statements contained in this Management's Discussion and Analysis are made as of the date hereof and, accordingly, are subject to change after such date.

Although the Company believes that the assumptions on which the forward-looking statements are made are reasonable, based on the information available to the Company on the date such statements were made, no assurances can be given as to whether these assumptions will prove to be correct. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except as, and to the extent, required by applicable securities laws. The forward-looking statements contained in this Management's Discussion and Analysis are expressly qualified by this cautionary statement.

Disclaimer

The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. It should be read in conjunction and in context with all other disclosure documents of the Company. The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. No securities commission or regulatory authority has reviewed the accuracy of the information presented.

Additional information and continuous disclosure

This Management’s Discussion and Analysis has been prepared as of January 25, 2017. Additional information on the company is available through regular filings of press releases, financial statements and its annual information form on SEDAR (www.sedar.com).

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Andre Audet, Chief Executive Officer

(s)‘’Sabino Di Paola’’
Sabino Di Paola, Chief Financial Officer