Cu
Pb, Zn
Ag, Au

BRUNSWICK
Resources inc.

ANNUAL MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT FOR THE YEAR ENDED DECEMBER 31, 2017

This annual management's discussion and analysis report ("MD&A") provides an analysis of our financial condition and results of operations to enable a reader to assess material changes for the year ended December 31, 2017, in comparison with the same period of last year. This annual MD&A was prepared as at April 24, 2018 and is intended to complement the condensed interim financial statements. This annual MD&A and our annual financial statements are intended to provide investors with reasonable basis for assessing our results of operations and financial performance.

Brunswick Resources Inc. (the "Corporation") was incorporated pursuant to the provisions of the *Business Corporations Act* (Alberta) on June 15, 2006 and was classified as a Capital Pool Corporation as defined in Policy 2.4 of the TSX Venture Exchange. On September 16, 2006, the Corporation changed its name from Power Beaver Capital Corp. to Nano Capital Corp. On March 11, 2010, the Corporation changed its articles to change its name from Nano Capital Corp. to Z-Gold Exploration Inc and its shares traded on the TSX-Venture under the symbol "ZGG". On December 19, 2013, at its annual and special meeting, the shareholders of the Corporation approved a change of name for Brunswick Resources Inc./ Ressources Brunswick inc. This name change was approved by the TSX Venture Exchange on May 21, 2014 and the shares of Brunswick Resources Inc. ("Brunswick" or the "Corporation") started trading on the TSX Venture Exchange under the symbol "BRU" on May 22, 2014. Brunswick is a junior mining exploration corporation, exploring for gold and base metals in the Abitibi Greenstone Belt. The shares of Brunswick are trading on the TSX Venture Exchange under the symbol BRU.

This MD&A contains forward-looking statements not based on historical facts. Forward-looking statements express, as at the date of this report, our estimates, forecasts, projections, expectations and opinions as to future events or results. Forward-looking statements herein expressed are reasonable, but involve a number of risks and uncertainties, and there can be no assurance that such statements will prove to be accurate. Therefore, actual results and future events could differ materially from those anticipated in such statements. Factors could cause results or events to differ materially from current expectations expressed or implied by forward-looking statements include, but are not limited to, fluctuations in the market price of precious metals, mining industry risks, uncertainty as to calculation of mineral reserves and requirements of additional financing and the capacity of the Corporation to obtain financing.

MINING PROPERTIES

IRENE LAKE PROPERTY (QUÉBEC)

History

In June 2016, the Corporation entered into an option agreement to acquire 29 mining claims located in the Jamesie region of Northwestern Quebec.

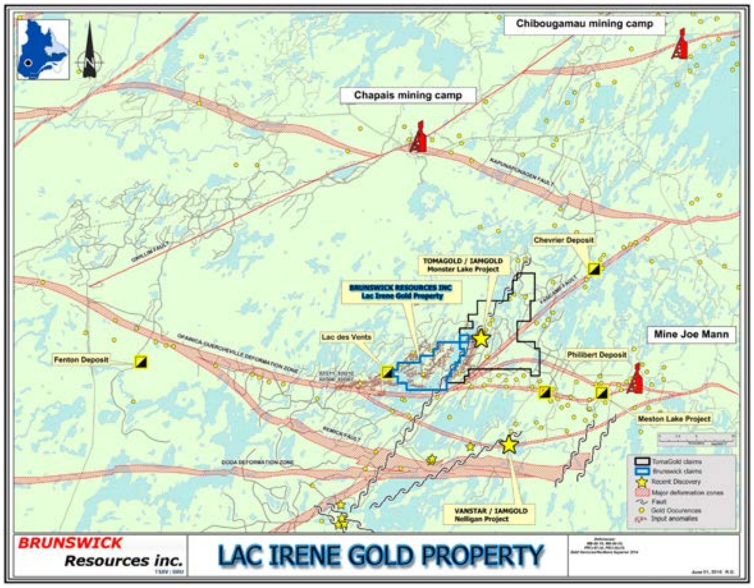
Brunswick had to pay a total of $25,000 and issue a total of 1,500,000 common shares over a period of 3 years for an Option to acquire a 100% interest in the Irene Lake Property. The Optionor retained a 2.0% NSR in the property. In April 2017, the Corporation returned the property to the Optionor because it was not able to fulfill its obligations.

In June 2016, the Corporation entered into a second option agreement to acquire 14 mining claims located in the Jamesie region of northwestern Quebec. Brunswick will pay a total of $6,000 and issue a total of 600,000 common shares over a period of 3 years for an Option to acquire a 100% interest in the additional claims of the Irene Lake Property. The Optionors have retained a 2.0% NSR in the property.

In June 2017, the Corporation acquired by staking 4 mining claims in the sector.

The Irene Lake Gold Property is located in the northwestern region of the Province of Quebec at approximately 45 kilometers southwest of the Chibougamau mining camp. The properties are located contiguously and to the west of the Monster Lake Project of TomaGold and Iamgold, in the Chibougamau Mining camp.

The Property is contiguous and to the west of TomaGold's and Iamgold Monster Lake Project where 5 major gold zones were intercepted. Over 20 intercepts of high gold ranging from 10.0 to 237.6 g/t Au were discovered on the Monster Lake property.



Work by Brunswick

The Corporation is currently planning an exploration program on the Irene Lake Gold Property. The neighbours IamGold and TomaGold intersected significant gold mineralization on their Monster Lake Gold Property. Brunswick's claims cover a similar parallel structure that splays off of the main fault. Brunswick is of the opinion that similar mineralization will be intersected on Brunswick's property.

Analysis of Acquisitions and of Exploration and Evaluation Expenditures

During the year ended December 31, 2017, the Corporation did not acquire any mining claims. However, Brunswick impaired an amount of $6,250 on the Irene Lake Property and incurred $23,000 in exploration and evaluation expenses on the same property.

Royalties on the mining properties are as follows:

Irene Lake   2%

The Corporation has no research and development expenses.

The Corporation doesn't have any deferred expenses other than the mining properties and the deferred exploration expenses.

Person responsible of the technical information
The qualified person pursuant to National Instrument 43-101, responsible of the technical information of the Corporation is Mr. Christian Dupont, P.Eng.

GLOBAL PERFORMANCE OF THE YEAR

During the year ended December 31, 2017, the Corporation issued 150,000 common shares pursuant to an option agreement for the acquisition of claims of the Irene Lake property. The Corporation incurred $23,000 in exploration and evaluation work on the Irene lake Property.

SELECTED ANNUAL INFORMATION

Our annual audited financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All monetary values contained in this MD&A are expressed in Canadian currency.

Significant Financial Data (Audited)

YEARS ENDED DECEMBER 31	2017	2016	2015
	$	$	$
Total assets	56,894	47,387	221,866
Total liabilities	499,579	459,325	348,155
Revenue	(28,912)	(21,352)	(14,808)
Comprehensive loss	38,247	335,624	151,194
Net loss per share on a diluted basis	0.00	0.01	0.01

As at December 31, 2017, the total assets of the Corporation have increased by approximately $10,000 mainly due to the exploration and evaluation completed on the Iren Lake Property. Liabilities have increased by approximately $40,000 mainly due to the increase of the due to a company whose president is the same as Brunswick's and of accounts payable and accrued liabilities.

QUARTERLY INFORMATION (Not Audited)

	Dec. 31, 2017	**Sept. 30, 2017**	**June 30, 2017**	**Mar. 31, 2017**	**Dec. 31, 2016**	**Sept. 30, 2016**	**June 30, 2016**	**Mar. 31, 2016**
Total Assets	56,894	51,921	54,010	23,052	47,387	186,689	185,096	220,882
Total Liabilities	499,579	492,166	485,726	442,897	459,325	377,042	365,247	358,996
Revenues	(16,602)	(8,861)	(1,569)	(1,880)	(5,813)	(3,777)	(5,389)	(6,373)
Net and comprehensive loss	1,977	8,529	19,834	7,907	261,585	10,202	52,012	11,825
Basic and diluted loss per share	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00

STATEMENT OF EARNINGS

Being a mining exploration company, Brunswick does not generate any regular earnings so in order to survive; the Corporation has to issue capital stock. The revenues recorded come from a related company that shares the same office, same equipment and non-professional staff.

Expenses

During the year ended December 31, 2017, the loss before income taxes of the Corporation is $38,247 compared to $335,624 for the same period ended December 31, 2016.

Details of the administrative expenses for the year ended December 31	**2017** $	**2016** $
Professional fees	10,100	14,714
Office expenses	7,968	10,729
Rental expenses	21,000	23,507
Telecommunications	3,069	4,661
Tax and permits	7,621	4,793
Maintenance and repairs	200	1,182
Registration, listing fees and shareholders' information	10,411	14,568
Interests and bank expenses	181	583
Penalties	-	23,482
Amortization of fixed assets	359	313
Total	**60,909**	**98,532**

Summary of the administrative expenses for the last fourth quarters

	Dec. 31, 2017	**Sept. 30, 2017**	**June 30, 2017**	**March 31, 2017**
Professional fees	-	10,000	100	-
Office expenses	2,617	947	2,709	1,695
Rent expenses	5,250	5,250	10,500	-
Telecommunications	925	504	534	1,106
Taxes and permits	3,350	-	3,644	627
Maintenance and repair	-	-	-	200
Registration, listing fees and shareholders' information	536	575	3,326	5,974
Interests and bank expenses	39	39	51	52
Amortization	75	75	76	133

- During the three-month period ended June 30, 2017, the rent expenses are higher because the Corporation recorded the expenses of the last two quarters.
- During the three-month period ended September 30, 2017, the professional fees are higher because the Corporation recorded accounting and audit fees.
- During the three-month period ending March 31, 2017, the registration, listing fees and shareholders' information is higher because the Corporation paid the annual fees to the TSX Venture Exchange.

SOURCE OF FINANCING

During the year ended December 31, 2017, the Corporation did not closed any private placement.

During the year, the Corporation continued to benefit from the support of a related company which injected approximately $14,000. In addition, the Corporation contracted a $25,000 demand loan in January 2018 and issued in March 2018 for $256,585 in shares to settle some debts, which helps to improve its working capital. In order to continue its operations, the Corporation will have to find significant additional funds. Considering the non-respect of some flow-through shares agreements, in view of the negative impact of this fact and its difficult financial situation, the risk is high that the management will have difficulties to obtain the financial resources required to maintain its activities.

OBLIGATION AND CONTRACTUAL COMMITMENTS

In June 2016, the Corporation signed an option agreement to acquire a 100% interest in 14 claims of the Irene Lake property. In relation with this agreement, the Corporation had to pay $6,000 in cash and issued 150,000 common shares (condition fulfilled). It will also have to issue 150,000 common shares on the first anniversary (condition fulfilled), the second and the third anniversary of the signature date of the agreement to respect the conditions of the contract. There is a 2% royalty on this property that half can be redeemed for an amount of $1,000,000.

The Corporation is at the exploration stage so Brunswick does not have revenue coming from operation. Management searches periodically to obtain financings by issuing shares, by the exercise of share purchase warrants and of share options to pursue its activities but despite the fact that Brunswick has succeed in the past, there are no guarantee that it will succeed in the future. By virtue of past flow-through shares agreements, as at December 31, 2017 and 2016, the cumulative shortfall of CEE is amounting to approximately $140,000. These amounts had to be spent by the statutory date of December 31, 2015 and of December 31, 2012. As the exploration and evaluation expenses were not completed within the prescribed deadlines, there is a financial risk for the Corporation and also a fiscal risk for the investors. During the years ended December 31, 2016 and December 31, 2015, the Corporation recorded a cumulative provision of an amount of $55,730. All additional amounts in relation with this provision will be accrued in the financial statements only when they will be reasonably estimated and will be charged to the earnings at that time.

RELATED PARTY TRANSACTIONS AND COMMERCIAL GOALS

Brunswick Resources Inc. (Brunswick) entered into the following transactions with related parties. The amounts payable are usually settled in cash when it’s possible.

During the year ended as at December 31, 2016, the Corporation incurred exploration and evaluation expenditures for an amount of $67,278 with a company which president is the same as Brunswick. During the year ended as at December 31, 2017, the Corporation invoiced revenues for an amount of $7,912 ($21,352 as at December 31, 2016) with this same company.

The transactions are measured at the amount of consideration established and agreed by the related parties.

Due of an amount of $200,590 ($186,007 as at December 31, 2016) comes from two companies that have the same President as Brunswick.

SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These financial statements were prepared by management in accordance with IFRS. The accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise indicated.

Functional Currency

The reporting currency and the currency of all operations of the Corporation is the Canadian dollar, since it represents the currency of the primary economic environment in which the Corporation operates.

Financial Instruments

Financial assets are initially recognized at fair value and their subsequent measurement is dependent on their classification in the following categories: held-to-maturity investments, available-for-sale, loans and receivables and at fair value through profit or loss ("FVTPL"). Their classification depends on the purpose, for which the financial instruments were acquired or issued, their characteristics and the Corporation's designation of such instruments. Transaction date accounting is used.

Held-to-Maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Corporation's management has the intention and ability to hold to maturity. After initial recognition, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment loss. The Corporation has no held-to-maturity investment.

Available-For-Sale

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale, or that are not classified as loans and receivables, held-to-maturity or at FVTPL. Available-for-sale financial assets are carried at fair value with unrealized gains and losses included in accumulated other comprehensive income until realized, the cumulative gain or loss is then transferred to profit or loss statement. The Corporation has no available-for-sale financial asset.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are not held for trading purposes or available for sale. These assets are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method. Loans and receivables are constituted of cash and others receivable.

Financial Assets at " FVTPL"

Financial assets at FVTPL includes financial assets held by the Corporation for short-term profit, derivatives not in a qualifying hedging relationship and assets voluntarily classified in this category, subject to meeting specified criteria. These assets are measured at fair value, with any resulting gain or loss recognized in the profit or loss statement. The Corporation has no financial assets at FVTFL.

Other Liabilities

Other liabilities are initially recognized at fair value less transaction costs directly attributable. Thereafter, they are measured at amortized cost using the effective interest method and include all financial liabilities, other than derivative instruments. Accounts payable and accrued liabilities, the due to directors and the due to related companies are classified as other liabilities.

Transaction Costs

Transaction costs related to financial asset at FVTPL are recognized as expenses as incurred. Transaction costs related to available-for-sale financial assets, held-to-maturity investments and loans and receivables are added to the carrying value of the asset and transaction costs related to other liabilities are netted against the carrying value of liability. They are then recognized over the expected life of the instrument using the effective interest method.

Effective Interest Method

The effective interest method is a method of calculating the amortized cost of a financial asset/liability and of allocating interest income/expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash flows (including transaction costs) through the expected life of the financial asset/liability, or, if appropriate, a shorter period.

Cash and Cash Equivalents

The Corporation presents cash and temporary investments with original maturities of three months or less from acquisition date in cash and cash equivalents.

Cash Reserved for Exploration and Evaluation

Cash reserved for exploration and evaluation represents proceeds from flow-through financing not yet incurred in exploration. According to the requirements of those financings, the Corporation has to apply the funds received for exploration and evaluation activities. As at December 31, 2017 and 2016, the Corporation didn’t have cash reserved for exploration and evaluation.

Fixed Assets

Fixed assets are accounted for at historical cost less any accumulated depreciation and any accumulated impairment losses. Amortization of fixed assets is based using declining method at the following rates:

	Rates
Equipment and furniture	20%
Computer equipment	30%

Impairment of Long-Lived Assets

Long-lived assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. The recoverable amount is the higher of its fair value less costs for sale and its value in use (present value of the future cash flows expected). An impairment loss is recognized when their carrying value exceeds the recoverable amount. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its recoverable amount.

Mining Properties and Exploration and Evaluation Assets

Expenditures incurred before the entity has obtained the legal rights to explore a specific area are recognized as expenses. Expenditures related to the development of mineral resources are not recognized as exploration and evaluation assets. Expenditures related to the development are accounted as an asset only when the technical feasibility and commercial viability of a specific area are demonstrated and when recognition criteria of IAS 16 *Property, Plant and Equipment* or IAS 38 *Intangible Assets* are fulfilled.

All costs associated with property acquisition are capitalized to mining properties and exploration activities are capitalized as exploration and evaluation assets. Costs that are capitalized are limited to costs related to acquisition and exploration activities that can be associated with the discovery of specific mineral resources, and are not include costs related to production, and administrative expenses and other general indirect costs. Exploration and evaluation expenditures are capitalized when the following criteria are satisfied:

- they are held for use in the production of mineral resources;
- the properties have been acquired and expenses have been incurred with the intention of being used on a continuing basis; and
- they are not intended for sale in the ordinary course of business.

Costs related to the acquisition of mining properties and to exploration and evaluation expenditures are capitalized by property until the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. When the technical feasibility and commercial viability of extracting a mineral resource are demonstrated, exploration and evaluation assets are reclassified as mining assets under development. Exploration and evaluation assets are assessed for impairment before reclassification, and any impairment loss recognized. Until now, no technical feasibility and no commercial viability of extracting a mineral resource have been demonstrated.

The Corporation reconsiders periodically facts and circumstances in IFRS 6 that require testing exploration and evaluation assets for impairment. When facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount, the asset is tested for impairment. The recoverable amount is the higher of fair value less costs for sale and value in use of the asset (present value of the future cash flows expected). When the recoverable amount of an exploration and evaluation asset is less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount by recording an impairment loss. The carrying amount of exploration and evaluation assets do not necessarily represents present-time or future value.

The prior years recognized impairment for exploration and evaluation asset, for mining assets under development or for any other long-lived asset (other than a goodwill) is reversed if there is an increase of the economic potential of asset, resulting from its use or sale since the last time an impairment has been recorded for this asset. If any, the carrying value of this asset is increased up to its recoverable amount, without being higher than it would have been recorded (net of amortization) like if the impairment had never been recognized for this asset in prior years.

Mining Properties Option Agreements

Options on interests in mining properties acquired by the Corporation are recorded at the value of the consideration paid, including other future benefit given up but excluding the commitment for future expenditures. Commitment for future expenditures does not meet the definition of a liability and thus are not accounted for. Expenditures are accounted for only when incurred by the Corporation.

When the Corporation sells interests in its mining properties, it uses the carrying amount of the property before the sale of the option as the carrying amount for the portion of the property retained, and credits any cash consideration received and also the fair value of other financial assets against the carrying value of this portion (any excess is recognized as a gain in profit or loss).

Government Grants

Government grants related to exploration and evaluation expenses are deducted from cost of exploration and evaluation expenses pertaining to the property during the year on which subsidy is received or there is reasonable assurance that the grant will be received.

NSR Royalties

The NSR royalties are generally not accounted for when acquiring a mining property since they are deemed to be a contingent liability. Royalties are only accounted for when probable and can be measured with sufficient reliability.

Provisions and Contingent Liabilities

Provisions are recognized when present obligations as a result of a past event will probably lead to an outflow of economic resources from the Corporation and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted when the time value of money is significant.

The Corporation's operations are governed by government environment protection legislation. Environmental consequences are difficult to identify in terms of amounts, timetable and impact. As of the reporting date, management believes that the Corporation's operations are in material compliance with current laws and regulations. Site restoration costs currently incurred are negligible. When the technical feasibility and commercial viability of extracting a mineral resource will have been demonstrated, a restoration provision may be recognized in the statement of financial position.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized, unless it was assumed in the course of a business combination. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. As at December 31, 2017 and 2016, a provision amounting to $55,730 was recorded in relation to penalties for non-respect of flow-through shares agreements.

Share-Based Compensation

The Corporation accounts for share-based compensation over the vesting period of the rights to stock options. Share purchase options granted to employees and directors and the cost of services received are evaluated and recognized on fair value basis using the Black-Scholes option pricing model.

Equity-Settled Share-Based Payment Transactions

For transactions with parties other than employees, the Corporation measures the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. When the Corporation cannot estimate reliably the fair value of the goods or services received, it measures their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted.

Flow-Through Shares

The Corporation considers that the issue of flow-through shares is in substance an issue of common shares and the sale of tax deductions. The sale of tax deductions is measured using the residual method. At the time the flow-through shares are issued, the sale of tax deductions is deferred and presented as other liabilities in the statement of financial position. When eligible expenditures are incurred (as long as there is the intention to renounce them), the sale of tax deductions is recognized in the income statement as a reduction of deferred tax expense and a deferred tax liability is recognized for the taxable temporary difference that arises from the difference between the carrying amount of eligible expenditures capitalized as an asset in the statement of financial position and its tax base.

Warrants

Under financing activities, the Corporation may grant warrants. Each warrant entitles its holder to purchase one share at a price determined at grant for a certain period of time. The Corporation determines at first the value of shares component according to the stock market price at the closing date of the financing. To determine the fair value of warrants issued, the Corporation uses the Black-Scholes pricing model. Thereafter, proceeds from placements are allocated between shares and warrants using the relative fair value method.

Share Issuance Expenses

Share issuance expenses are recorded as a reduction of capital stock in the year in which they are incurred.

Basic and Diluted Loss per Share

The basic net loss per share is calculated using the weighted average of shares outstanding during the year. The diluted net loss per share, which is calculated with the treasury method, is equal to the basic net loss per share due to the anti-dilutive effect of share purchase options and warrants.

Income Taxes and Deferred Taxes

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes except when deferred income results from an initial recognition of goodwill or from initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they will reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting year and which, expected to apply to taxable income in the years during which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income or loss in the year that includes the enactment date.

The Corporation establishes a valuation allowance against deferred income tax assets if, based on available information, it is probable that some or all of the deferred tax assets will not be realized.

A deferred tax asset is recognized for unused tax losses and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be used. At the end of each reporting period of financial information, the Corporation reassesses the tax deferred asset not recognized. Where appropriate, the Corporation records a tax deferred asset that had not been recorded previously to the extent it has become probable that future taxable profits will recover the tax deferred asset.

Revenue Recognition

Other revenues are recognized when there is convincing evidence of the existence of an agreement, as the price is fixed or determinable and collection is reasonably assured.

Segment Disclosures

The Corporation currently operates in a single segment: the acquisition and exploration of mining properties. All of the Corporation's activities are conducted in Canada.

Significant Accounting Judgments, Estimates and Assumptions

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the application of accounting policies as well as the carrying amount of assets, liabilities, revenues and expenses. Actual results may differ from those estimates.

The estimate and underlying assumptions are reviewed regularly. Any revision to accounting estimate is recognized in the period during which the estimate is revised and in future periods affected by these revisions.

Key Sources of Estimation Uncertainty

<u>Impairment of Mining Properties and Exploration and Evaluation Assets</u>

Mining properties and exploration and evaluation assets shall be assessed for impairment when facts and circumstances suggest that their carrying amount may exceed recoverable amount. When facts and circumstances suggest that the carrying amount exceeds the recoverable amount, the Corporation shall measure, present and disclose any resulting impairment loss. Indications of impairment as well as the evaluation of recoverable amount of mining properties and exploration and evaluation assets require significant judgment. Management considers various factors including, but are not limited to, financial and human resources available, exploration budgets planned, importance and results of exploration work done previously, industry and economic trends and price of minerals.

Based on analysis performed during the years 2017 and 2016, the Corporation has impaired exploration and evaluation assets for a total of $6,250 in 2017 and $223,444 in 2016 to take into account of the termination of the Chester property agreement (in 2016) and failure to comply with an agreement on the Irene Lake property (in 2016 and 2017). The limited financial resources of the Corporation as well as a difficult market did not allow it to go forward with an important exploration and evaluation program. It must devote its resources to the Irene Lake property, its new and only project. No reversal of impairment loss was recorded for past years.

Significant Management Judgment

The following are significant management judgments in applying the accounting policies of the Corporation that have the most significant effect on the financial statements.

Going Concern

The assessment of the Corporation's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meets its liabilities for the ensuing year and to fund planned and contractual exploration and evaluation programs, involves judgments based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Corporation’s activities are exposed to financial risks: market risk, credit risk and liquidity risk.

Market Risk

Interest Rate Risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The financial assets and liabilities are not exposed to interest rate risk because they don’t bear interest.

Currency Risk
The Corporation is not exposed to currency fluctuations as all transactions occur in Canadian dollars.

Fair Value
Fair value estimates are made at the statement of financial position date, based on relevant market information and other information about the financial instruments. Fair value of cash and accounts payable and accrued liabilities approximate carrying value due to their short-term.

Fair Value Hierarchy
Cash is measured at fair value and it is categorized in level 1. Its valuation is based on data observed in the market.

Credit Risk
Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes the other party to incur a financial loss. Financial instruments which potentially expose the Corporation to credit risk mainly consist of cash. The credit risk on cash is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. Therefore, the Corporation does not expect any treasury counterparties to fail in respecting their obligations.

Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet the obligations associated with its financial liabilities. As at December 31, 2017, the Corporation’s working capital is strongly negative and its cash situation is relatively low. During the year, the Corporation continued to benefit from the support of a related company which injected approximately $14,000. In addition, the Corporation contracted a $25,000 demand loan in January 2018 and issued in March 2018 for $256,585 in shares to settle some debts, which helps to improve its working capital. In order to continue its operations, the Corporation will have to find significant additional funds. Considering the non-respect of some flow-through shares agreements, in view of the negative impact of this fact and its difficult financial situation, the risk is high that the management will have difficulties to obtain the financial resources required to maintain its activities.

POLICIES AND PROCESSES FOR MANAGING CAPITAL

As at December 31, 2017, the capital of the Corporation consists of equity amounting to a negative amount of $442,685. The Corporation’s capital management objective is to have sufficient capital to respect its commitments and to be able to continue its activities. It has also the objective to have sufficient cash to finance these activities and the working capital requirements. There were no significant changes in the Corporation’s approach to capital management during the year ended December 31, 2017. The Corporation has no dividend policy.

The Corporation is subject to regulatory requirements related to the use of funds obtained by flow-through shares financing. These funds have to be incurred for eligible exploration and evaluation expenses. As at December 31, 2017, the Corporation has not always respect all of its regulatory requirements in relation with some past flow-through financings. This non-respect of fiscal rules could have a negative financial impact on the Corporation.

RISKS FACTORS

Exploration Risks

Exploration and mining involve a high degree of risk. Few exploration properties end up going into production. Other risks related to exploration and mining activities include unusual or unforeseen formations, fire, power failures, labor disputes, flooding, explosions, cave-ins, landslides and shortages of adequate or appropriate manpower, machinery or equipment. The development of a resource property is subject to many factors, including the cost of mining, variations in the quality of the material mined, fluctuations in the commodity and currency markets, the cost of processing equipment, and others, such as aboriginal claims, government regulations including regulations regarding royalties, authorized production, import and export of natural resources and environmental protection. Depending on the price of the natural resources produced, the Corporation may decide not to undertake or continue commercial production. There can be no assurance that the expenses incurred by the Corporation to explore its properties will result in the discovery of a commercial quantity of ore. Most exploration projects do not result in the discovery of commercially viable mineral deposits.

Environmental and Other Regulations

Current and future environmental laws, regulations and measures could entail unforeseeable additional costs, capital expenditures, restrictions or delays in the Corporation’s activities. Environmental regulations and standards are subject to constant revision and could be substantially tightened, which could have a serious impact on the Corporation and its ability to develop its properties economically. Before it commences mining a property, the Corporation must obtain environmental permits and the approval of the regulatory authorities. There is no assurance that these permits and approvals will be obtained, or that they will be obtained in a timely manner. The cost of complying with government regulations may also impact the viability of an operation or altogether prevent the economic development of a property.

Financing and Development

Development of the Corporation’s properties therefore depends on its ability to raise the additional funds required. There can be no assurance that the Corporation will succeed in obtaining the funding required. The Corporation also has limited experience in developing resource properties, and its ability to do so depends on the use of appropriately skilled personnel or signature of agreements with other large resource companies that can provide the required expertise.

Commodity Prices

The factors that influence the market value of gold and any other mineral discovered are outside the Corporation’s control. Resource prices can fluctuate widely, and have done so in recent years. The impact of these factors cannot be accurately predicted.

Risks Not Covered by Insurance

The Corporation may become subject to claims arising from cave-ins, pollution or other risks against which it cannot insure itself or chooses not to insure itself due to the high cost of premiums or other reasons. Payment of such claims would decrease and could eliminate the funds available for exploration and mining activities.

Tax

No assurance can be given that Canada Revenue Agency or that the Quebec Ministry of Revenue will agree with the Corporation’s characterization of expenditures as Canadian exploration expenses.

Dependence on Key Personnel

The development of the Corporation is and will continue to be dependent on its ability to attract and retain highly qualified management and mining personnel. The Corporation faces competition for personnel from other mining companies.

Conflict of Interest
Certain directors of the Corporation are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and mining of natural resources properties. Such associations may give rise to conflicts of interests from time to time. The directors of the Corporation are required by law to act honestly and in good faith of view of the best interests of the Corporation and to disclose any interest, which they may have on any project or opportunity of the Corporation. If a conflict arises at the meeting of the board of directors, any director in conflict will disclose his interest and abstain from voting on such matter.

Long-Term Debt
The Corporation has no long-term debt.

INFORMATION ON OUTSTANDING SHARES

As at December 31, 2017, the capital stock of the Corporation is composed of 34,084,789 common shares, issued and outstanding and as the date of this MD&A, capital stock of the Corporation is composed of 39,216,479 common shares issued and outstanding.

Share Purchase Options

The Corporation has a stock option plan intended for its officers, consultants and directors. As at the date of this MD&A, there are no stock options outstanding.

Warrants

As at the date of this MD&A, the Corporation has no warrant outstanding.

Options issued to Brokers

As at the date of this MD&A, the Corporation has no outstanding options issued to brokers.

STRATEGY AND PERSPECTIVE

Brunswick Resources Inc. is a junior mining exploration company which has been listed on the TSX Venture since March 16, 2010. Brunswick Resources Inc. has been trading on the TSX Venture under the symbol "BRU" since May 22, 2014.

During the last few years, the market conditions have made it difficult for junior exploration companies to obtain financing. The Corporation has negotiated with some of its creditors the settlement of major debts. These shares for debts settlements were negotiated at a price of $0.05 per share. This has enhanced the Corporation's balance sheet. However, the Corporation was not able to find financings to complete exploration work.

In June 2016, the Corporation entered into an option agreement to acquire a total of 14 mining claims located in the Jamesie region, in the mining camp of Chibougamau, contiguous and west of TomaGold and Iamgold's monster Lake Project, where 5 major gold zones were intercepted. Over 20 intercepts of high gold ranging from 10.0 to 237.6 g/t Au were discovered on the Monster Lake property. The Corporation believes in the potential of this new property and will focus its exploration efforts on this gold property from now on.

The market shows signs of upturn and the price of gold has gone up in the last few months. The Corporation hopes that the market recovers in the fall and that Brunswick will be able to finance its exploration project.

Management continues to evaluate for acquisition, properties of merit in the Abitibi Greenstone Belt located in Ontario and Quebec that will increase shareholder value.

ADDITIONAL INFORMATION AND ONGOING DISCLOSURE

This MD&A was prepared as at April 24, 2018. The Corporation regularly discloses additional information by means of press releases and interim financial statements and MD&A on SEDAR's website (www.sedar.com) and on the Corporation's website at www.brunswickresources.com.

CERTIFICATE

This MD&A was approved by the board of directors.

(s) Christian Dupont
Christian Dupont
April 24, 2018