



**MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS**

FOR THE THREE MONTH ENDED JUNE 30, 2016

August 28, 2017

The following Management's Discussion and Analysis ("MD&A") of the financial condition of ExploreX Resources Inc. ("ExploreX" or "the Company") and results of operations of the Company, should be read in conjunction with the unaudited interim financial statements including the notes thereto for the three months ended June 30, 2017 and the audited financial statements including the notes thereto for the years ended March 31, 2017. The financial statements together with this MDA are intended to provide investors with a reasonable basis for assessing the financial performance of the Company.

The financial statements are presented in accordance with International Financial Reporting Standards ("IFRS"). The Company's accounting policies are described in Note 2 of the Financial Statements. The financial statements together with this MDA are intended to provide investors with a reasonable basis for assessing the financial performance of the Company.

All monetary amounts are in Canadian dollars unless otherwise specified. Additional information regarding the Company and its operations can be obtained from the office of the Company or on SEDAR at www.sedar.com.

Description of Business

ExploreX Resources Inc. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on January 6, 2011 and is currently engaged in acquiring, exploring and developing mineral properties, principally located in British Columbia and Ontario, Canada. Effective June 11, 2012, the Company changed its name from ExploreX Capital Ltd. to ExploreX Resources Inc.

The Company is a reporting issuer in British Columbia, Alberta, Ontario and Yukon and its shares are listed on the CSE under the symbol EX.

Overall Performance

The level of the Company's future operations will be determined by the availability of capital resources, which will be derived from the issuance of special warrants and future financings.

The Company has incurred recurring losses since its inception, and had an accumulated deficit of \$1,738,888 as at June 30, 2017 which has been funded primarily by the issuance of shares. The Company has no source of operating cash flows and expects to incur further losses in the exploration and development of its mineral properties. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors, and generating profitable operations in the future.

Property Acquisition

Chrysler Property, Ontario

Subsequent the period ended, the Company entered into a purchase and sale agreement to purchase a 100% in the Mining claims, (the “Chrysler Property”), located in Ogilvie, Leonard and North William Townships, within the Larder Lake Mining Division of the Province of Ontario.

To earn a 100% interest, the Company is required to make the following payments:

- \$22,500 cash on the earlier of the date that is 10 days following Canadian Securities Exchange and in any event on or before July 14, 2017 (now fully paid);
- issue 200,000 common shares of the Company on the closing date. (issued)

The agreement is subject to a 2% net smelter return royalty (“NSR”) payable to the vendors and a buyback of 1% for \$1 million at any time.

The Property, totaling 11 claims (91 units), encompasses approximately 3,600 acres and were staked by the property vendors based on favorable geology and nearby known mineral occurrences. Access to the area is provided via a series of existing interconnected forestry roads that tie into provincial highway 560, 20 km to the west of the community of Shining Tree, which is approximately 130 km west of Cobalt, Ontario.

This Property is considered to be prospective for cobalt and silver occurrences as the geological setting is similar to that of the Cobalt mining district which is known for its past producing high silver and cobalt mines.

Mineral Property

Arlington Property, British Columbia

On January 19, 2015, the Company acquired 100% interest by staking, the Arlington property located in the historic Beaverdell silver camp, 40 kilometres southeast of Kelowna and 14 km due north of the historic Beaverdell mining camp located along B.C. Provincial Highway 33 in south-central British Columbia.

On April 27, 2017, the Company entered into an option agreement with Clarmin Exploration Inc. (“Clarmin”), under which Clarmin may acquire a 100% interest in the Company’s Arlington Property, located in south-central British Columbia. Under the agreement, Clarmin can earn a 100% interest by making certain staged payments over a three year period equal to a total of \$105,000 in cash, 500,000 common shares and incurring \$500,000 in exploration expenditures on the property.

Some work was completed by Clarmin – Gary will have a comment on this by tomorrow

Cash and Share Payments:

- \$10,000 on April 27, 2017 (received);
- \$10,000 on the date of listing of Clarmin on a recognized stock exchange;
- \$35,000 and issuing 200,000 common shares on or before April 27, 2019; and
- \$50,000 and issuing 300,000 common shares on or before April 27, 2020.

Exploration Expenditures:

- \$200,000 on or before April 27, 2019; and
- \$300,000 on or before the third April 27, 2020.

The Company will retain a 1.5% NSR on the property which Clarmin may buyback by paying \$1,000,000 to the Company.

The Arlington property covers 586.46 hectares, is road accessible and is centred on Hall Creek at the south end of Arlington Lakes, and covers 10 mineral showings listed in the BCMEM (British Columbia Ministry of Energy and Mines) Minfile. The bulk of the historical work on the claims dates back to the early part of the century while the Beaverdell-Mt. Wallace mining camp was developing and during the construction of the Kettle Valley Railway.

As at June 30, 2017, the Company had \$18.414 of cumulative acquisition and exploration costs related to the Arlington property project.

Silver Dollar Property, British Columbia

On May 11, 2016, the Company entered into an option agreement with Happy Creek Minerals Ltd. to purchase a 100% interest in Happy Creek's Silver Dollar Property, located, approximately 45 kilometres southeast of Revelstoke, B.C. The Silver Dollar property is 3,160 hectares (31.6 square kilometres) in area and it is situated within the historical Camborne mining camp dating from around the early 1900's.

Upon the signing the Agreement and to earn 100% interest, the Company is required to make the following payments as follows:

- \$20,000 cash on the earlier of the date that is 5 days following Canadian Securities Exchange approval for closing of the Company's proposed private placement of \$400,000 and June 30, 2016 (paid);
- incur a minimum \$100,000 work commitment by November 11, 2016;
- issue 300,000 common shares of the Company by December 1, 2016
- issue 300,000 common shares of the Company by November 11, 2017; and
- issue 1,000,000 common shares of the Company by May 11, 2018.

On November 23, 2016, the parties amended the terms of the agreement to the following:

- incur a minimum work commitment by May 11, 2017;
- issue 300,000 common shares of the Company by June 9, 2017;
- issue 300,000 common shares of the Company by May 11, 2018; and
- issue 300,000 common shares of the Company by November 11, 2018.

The agreement is subject to a 1% NSR payable to Happy Creek.

On April 11, 2017, the Company further amended the terms of the option agreement with Happy Creek on the Silver Dollar property as follows:

- incur a minimum \$100,000 work commitment by July 31, 2017;
- issue 300,000 common shares of the Company on or before May 11, 2017 (issued);
- issue 300,000 common shares of the Company by July 31, 2018; and
- issue 500,000 common shares of the Company by January 31, 2019.

Explorex has partially completed due diligence work focused on the Gilman area, the southern portion of three of the Silver Dollar property target areas. Due to the significant amount of historical work carried out in the region going back over 100 years, a complete compilation of the historic work on all 3 areas is ongoing.

As at June 30, 2017, the Company had \$148,301 of cumulative acquisition and exploration costs related to the Silver Dollar property project.

Results of Operations

<i>For the period ended June 30,</i>	2017 \$	2016 \$
Financial results:		
Net loss for the period	(106,806)	(65,179)
Basic and diluted loss per share	(0.01)	(0.02)
Statement of financial position date:		
Cash	20,618	76,753
Total assets	215,293	138,590
Shareholders' equity (deficiency)	101,775	(22,990)

Net Gain/Loss and Operating Expenses

For the three month ended June 30, 2014, the Company reported a loss of \$106,806 (2016 - \$65,179). The Company's loss per share was \$0.01 (2016 - \$0.02). The increase is due to the increased in overall expenses.

<u>General Administrative Expenses</u>	2017 \$	2016 \$
Advertising and promotion	6,000	-
Consulting	51,707	15,000
General office	6,938	6,908
Management fees	22,500	18,000
Professional fees	7,052	9,114
Rent	5,850	5,400
Stock-based compensation	-	7,679
Transfer agent and filing fees	5,617	3,078
Travel	1,142	-
	106,806	65,179

The expense for the period ended June 30, 2017 increased was mainly due to the following:

- Advertising, investor relations and promotion \$6,000 (2016-\$Nil). Amounts included in advertising, investor relation and promotion are monthly investor relations fees, print and internet advertising costs and web site. In June 2016, the Company hired Bircress Corporate Relation Inc. to provide investor relations services and the fees were \$2,000 per month.
- Consulting fees of \$51,707 (2016 - \$15,000) were incurred in relation to director's fee, strategic financing and project evaluation.
- Management fees of \$22,500 (2016 - \$18,000) were paid to the President and CEO of the Company, in consideration of management services provided by such director, including day to day administration for the Company, and overseeing regulatory filings and requirements.
- Professional fees of \$7,052 (2016 - \$9,114) were incurred in relation to legal, audit and accounting services.
- General office of \$6,938 (2016-\$6,908) comprised of administration, bank charges and interest expenses, telephone, shareholder costs and office supplies.

Summary of Quarterly Reports

Results for the most recent quarters ending with the last quarter for the period ended June 30, 2017:

	Three Months Ended			
	June 30, 2017 \$	March 31, 2017 \$	December 31, 2016 \$	September 30, 2016 \$
Interest income	Nil	Nil	Nil	Nil
Net loss	(106,806)	(80,405)	(61,584)	(120,213)
Basic and diluted per share	(0.01)	(0.01)	(0.01)	(0.02)

	Three Months Ended			
	June 30, 2016 \$	March 31, 2016 \$	December 31, 2015 \$	September 30, 2015 \$
Interest income	Nil	Nil	Nil	Nil
Net loss	(65,179)	(71,513)	(188,167)	(55,212)
Basic and diluted per share	(0.02)	(0.02)	(0.04)	(0.02)

Over the last eight quarters, expenditures have been consistent reflecting operational activities. The Company's expenses are comprised mainly of management, consulting, general office, stock exchange and transfer fees and professional fees. Expenses have remained low as a result of management of corporate and operational activity.

Mineral exploration is typically a seasonal business, and accordingly, the Company’s operating expenses and cash requirements will fluctuate depending upon the season and the level of activity. The Company’s primary source of funding is through the issuance of share capital. When the capital markets are depressed, the Company’s activity level normally declines accordingly. As capital markets strengthen and the Company is able to secure equity financing with favorable terms, the Company’s activity levels and the size and scope of planned exploration projects will typically increase.

Related Party Transactions

Key management includes directors (executive and non-executive) and senior management, including our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”).

The Company had the following transactions with related parties in the periods indicated:

- Paid or accrued exploration costs of \$Nil (2016 - \$25,000) that were capitalized as exploration and evaluation assets to a company controlled by a director of the Company.
- Paid or accrued consulting fees of \$15,000 (2016 - \$15,000) to a company controlled by a director of the Company.
- Paid or accrued consulting fees of \$30,000 (2016 - \$Nil) to a director of the Company.
- Paid or accrued rent of \$5,850 (2016 - \$5,400) and management fees of \$22,500 (2016 - \$18,000) to a company controlled by a director and Chief Executive Officer of the Company.
- Paid or accrued professional fees of \$3,000 (2016 - \$1,000) to the current Chief Financial Officer of the Company.

Accounts payable to related parties are as follows:

	2017	2016
An entity controlled by a director and Chief Executive Officer	\$ 17,798	\$ 49,140
An entity controlled by a director	9,200	17,000
An entity controlled by a director	38,625	25,200
To a director	21,000	-
	\$ 71,623	\$ 51,020

Commitments – Consulting agreements

On September 1, 2016 the Company renewed the terms of a consulting agreement with a director of the Company for the provision of consulting services at an annual cost of \$90,000. The agreement is for a term of five years. If the Company terminates the agreement without cause during the term the Company is required to pay the balance of the monthly fee payments due for the remainder of the term. Furthermore, should the Company be subject to a change in control and the consultant terminated without cause, the Company must pay an amount equal to twenty-six months of fees and an additional two months of fees for each additional full year of management completed after the first year of engagement, up to a combined maximum of forty-eight months of management fees.

Liquidity and Capital Resources

	June 30, 2017 \$	March 31, 2017 \$
Working capital (deficiency)	(64,940)	(25,134)
Deficit	1,738,888	1,654,510
Cash	20,618	22,029
Current assets	48,578	28,491
Current liabilities	113,518	53,625
Shareholders' equity (deficiency)	101,775	103,581

The Company does not have any commitments for material capital expenditures and none are presently contemplated other than as disclosed above normal operating requirements. The Company is dependent on the sale of common shares to finance its exploration activities, property acquisition payments and general and administrative costs. There can be no assurance that financing, whether debt or equity, will always be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to the Company.

The Company does not generate sufficient cash flow from operations to fund its exploration activities, its acquisitions and its administration costs. The Company is reliant on equity financing to provide the necessary cash to continue its operations.

	June 30, 2017 \$	June 30, 2016 \$
Cash used in operating activities	(68,411)	(2,827)
Cash used in investing activities	(38,000)	(20,000)
Cash provided by financing activities	105,000	97,500
Change in cash	(1,411)	74,673

During the period ended June 30, 2017;

- The Company had cash of \$20,618 as of June 30, 2017 compared to \$22,029 as of March 31, 2017.
- The Company has received \$57,000 from exercise of stock options.

Off Balance Sheet Agreements

The Company has not engaged in any off-balance sheet arrangements in the three month period ended June 30, 2017.

Critical Accounting Policies and Estimates

The details of Explorex's accounting policies are presented in Note 2 of the interim financial statements ended June 30, 2017.

Changes in Accounting Policies

In preparing these interim financial statements as at June 30, 2017, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended March 31, 2017.

Capital Management

Capital is comprised of the Company's shareholders' equity (deficiency). As at June 30, 2017, the Company's shareholders' equity was \$101,775. The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels.

The Company is dependent on the capital markets as its sole source of operating capital and the Company's capital resources are largely determined by the strength of the junior resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects. The Company is not subject to any externally imposed capital requirements. There has been no change in the Company's approach to capital management during the period ended June 30, 2017.

Management Financial Risks

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly;
- Level 3 – Inputs that are not based on observable market data.

The fair value of cash is based on level 1 inputs of the fair value hierarchy.

The fair value of the Company's receivables, accounts payable and accrued liabilities approximates their carrying values due to the short-term nature.

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

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

Liquidity risk

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, 2017, the Company had a cash balance of \$20,618 to settle current liabilities of \$113,518.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(a) Interest rate risk

The Company has cash balances and no interest-bearing debt. The interest rate risk on cash is not considered significant.

(b) Foreign currency risk

The Company does not have assets or liabilities in a foreign currency.

(c) Price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, and the stock market to determine the appropriate course of action to be taken by the Company.

Risk and Uncertainties

There are no significant changes relating to the risk factors since the filing of the annual MD&A of March 31, 2016.

Forward-Looking Information

This MD&A, which contains certain forward-looking statements, are intended to provide readers with a reasonable basis for assessing the financial performance of the Company. All statements, other than statements of historical fact, are forward-looking statements. The words “believe”, “expect”, “anticipate”, “contemplate”, “target”, “plan”, “intends”, “continue”, “budget”, “estimate”, “may”, “will”, “schedule” and similar expressions identify forward looking statements. Forwardlooking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies.

Subsequent Events

Subsequent to the year end:

Private Placement

On July 12, 2017, the Company arranged a non-brokered private placement offering of up to \$600,000 by issuing up to 1,200,000 million flow-through units (the “FT-UNITS”) at a price of \$0.25 per unit (for a total of up to \$300,000) and up to 1.5 million non-flow-through units (the “NFT-UNITS”) at a price of \$0.20 per unit (for a total of up to \$300,000). Each FT-Unit will consist of one flow-through common share and one-half of a share purchase warrant. Each NFT-Unit will consist of one common share and one-half of a share purchase warrant. A full warrant from either of the FT-Unit or the NFT-Units will entitle the holder to purchase one additional non-flow-through common share at a price of \$0.30 for a period of one year from the closing of the placement.

Letter of Intent

On July 6, 2017, the Company announced that it entered into a letter of intent with Canadian Gold Miner Inc. to acquire 100% of the Cobalt-Paragon project, within the historic Elk Lake Silver camp, of northeastern Ontario, 60 km south west from Kirkland Lake, Ontario.

Under the terms of the LOI, the Company has agreed to pay a total of \$140,000 (of which \$130,000 can be in cash or shares), issue a total of 1.7 million shares and commit to \$1.275 million in work expenditure over a 3-year period from signing a definitive agreement. Upon earning a 100% interest, the Company will grant a 1% NSR and retain first right of refusal to buyback the NSR. The Company will commit to meeting all obligations of the underlying commitments. The closing of the agreement will be subject to signing a binding contract and regulatory approvals.

Management’s Report on Internal Control Over Financing Reporting

In connection with National Instrument (“NI”) 52-109 (Certification of Disclosure in Issuer’s Annual and Interim Filings) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management’s Discussion and Analysis. The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

Additional Information in relation to the Company

Additional information relating to the Company is available:

- (a) On SEDAR at www.sedar.com
- (b) On the Company's website at www.explorex.ca
- (c) In the Company's annual audited financial statements for the year ended March 31, 2017.

Outstanding Shares

	Number	Exercise Price	Expiry Date
Common Shares	10,100,697	n/a	n/a
Stock Options	400,000	\$0.13	September 29, 2021
Warrants	933,333	\$0.169	July 25, 2019