Red Ore Gold Inc.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended April 30, 2014

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(Information as at May 3, 2016 unless otherwise noted)

Cautionary Statements

Forward-Looking Information

Except for statements of historical fact relating to Red Ore Gold Inc. (the "Company" or "Red Ore" or "Red Ore Gold"), certain statements contained in this MD&A constitute forward-looking information, future oriented financial information or financial outlooks (collectively "forward-looking information") within the meaning of Canadian securities laws. Forward-looking information may relate to this document and other matters identified in Red Ore Gold's public filings, Red Ore Gold's future outlook and anticipated events or results and in some cases can be identified by terminology such as "may", "will", “could”, "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", “projects”, "predict", "potential", "targeted", "possible", "continue", "objective" or other similar expressions concerning matters that are not historical facts and include, commodity prices, access to sufficient capital resources, mineral resources, mineral reserves, realization of mineral reserves, existence or realization of mineral resource estimates, results of exploration activities, the timing and amount of future production, the timing of construction of the proposed mine and process facilities, the timing of cash flows, capital and operating expenditures, the timing of receipt of permits, rights and authorizations, communications with local stakeholders and community relations, employee relations, settlement of disputes, status of negotiations of joint ventures, availability of financing and any and all other timing, development, operational, financial, economic, legal, regulatory and political factors that may influence future events or conditions. Such forward-looking statements are based on a number of material factors and assumptions including but not limited in any manner, those disclosed in any other of Red Ore Gold’s public filings and include the ultimate determination of mineral reserves, availability and final receipt of required approvals, licenses and permits, ability to acquire necessary surface rights, sufficient working capital to develop and operate the proposed mine, access to adequate services and supplies, economic conditions, commodity prices, foreign currency exchange rates, interest rates, access to capital and debt markets and associated cost of funds, availability of a qualified work force, positive employee relations, lack of social opposition and legal challenges, ability to settle disputes and the ultimate ability to mine, process and sell mineral products on economically favorable terms. While Red Ore Gold considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in other Red Ore Gold filings. Forward-looking statements are based upon management’s beliefs, estimate and opinions on the date the statements are made and, other than as required by law, Red Ore Gold does not intend and undertakes no obligation to update any forward-looking information to reflect, among other things, new information or future events.

This MD&A includes but is not limited to, forward looking statements regarding: the potential and planned exploration on the Company's properties; the Company's ability to meet its working capital needs for the twelve-month period ending April 30, 2015; the Company's ability to find strategic partnerships for its Bottle Creek property and the Company's ability to obtain a listing on a Canadian stock exchange.

INTRODUCTION

The following provides Management's Discussion and Analysis of the financial position of Red Ore Gold Inc. ("the Company") and the results of operations of the Company for the year ended April 30, 2014. Management's Discussion and Analysis was prepared by Company management and approved by the Board of Directors on May 3, 2016.

All figures are presented in Canadian dollars (unless otherwise indicated) and are in accordance with International Financial Reporting Standards ("IFRS"). These statements together with the following Management Discussion and Analysis dated May 3, 2016, are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as forward-looking statements relating to potential future performance. Red Ore Gold's consolidated financial statements were prepared in accordance with IFRS. All amounts in this MD&A are expressed in Canadian dollars ("CAD"), unless otherwise noted.

NATURE OF OPERATIONS

<u>Corporate summary</u>

Red Ore Gold Inc. was incorporated under the laws of the Province of British Columbia by Articles of Incorporation dated January 13, 2011.

Red Ore Gold is an exploration stage junior mining company engaged in the identification, acquisition, evaluation and exploration of precious and base metals with mineral properties in the United States. At the date of these consolidated financial statements, the Company has not determined whether the properties contain mineral reserves that are economically recoverable. The recoverability of amounts recorded for mineral exploration properties and deferred exploration expenditures is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these reserves and upon attaining future profitable production from the properties or sufficient proceeds from disposition of the properties.

On September 8, 2014, the British Columbia Securities Commission ("BCSC') issued a cease trade order ("CTO')_ against the Company. On September 11, 2015, the Ontario Securities Commission ("OSC") issued a temporary CTO against the Company and extended it on September 24, 2014. On December 9, 2014, the Alberta Securities Commission ("ASC') issued a CTO against the Company. The CTOs were imposed due to the failure of the Company to file its annual audited financial statements, its management discussion and analysis and related certifications for the year ended April 30, 2014 (collectively, the "2014 Annual Filings").

On March 11, 2016 each of the BCSC, OSC and ASC, issued partial revocation and variation orders (the "Partial Revocation Orders") in respect of the CTOs.

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Pursuant to the Partial Revocation Orders, the Company proposes to undertake a non-brokered private placement of its securities (the Private Placement) to raise gross proceeds of $125,000 to bring its continuous disclosure record up to date, apply for a full revocation of the CTOs and to provide working capital. The Company proposes to complete the Private Placement with investors pursuant to appropriate exemptions under National Instrument 45-106 - Prospectus Exemptions. The Company is proposing to sell 5,000,000 units at a price of $0.025 per unit for aggregate gross proceeds of $125,000. Each unit will be comprised of one common share and one share purchase warrant entitling the holder to purchase one additional common share for a period of two years from the date of issuance at a price of $0.033 per share.

The office of the Company is located at #206 - 2290 Marine Drive, West Vancouver, British Columbia, V7V 1K4.

GROUP STRUCTURE

The Company has a wholly owned subsidiary, Red Ore Gold NV Inc. ("RNV"), which was incorporated under the laws of the State of Nevada by Articles of Incorporation on November 15, 2011. Subsequent to the year ended April 30, 2014, the status of the subsidiary was revoked by the State of Nevada (on November 30, 2014) and that company no longer exists. The Company has no intention of taking any steps to reverse that revocation. The subsidiary was subsequently deconsolidated on that date with no resulting gain or loss

Highlights

Highlights for the year ended April 30, 2014 include:

- Completed a private placement for gross proceeds of $110,000, through the issuance of 1,100,000 common shares.
- Reached settlements with some of its creditors allowing it to write off accounts payable balances in the amount of $276,554 related primarily to its prior business that had remained unpaid for several years.
- The Company continues to have a very quiet period as there is very little activity in the junior public company stock market.
- The Company has curtailed expenditures and has incurred only those costs necessary to maintain the Company's continued existence.

Revenue Canada seized bank accounts

On March 19, 2014, Revenue Canada ("CRA") provided notice to the Company that the bank accounts would be seized and cleared to pay the outstanding sales tax liability. On March 24, 2014, CRA withdrew all of the funds in the Company's Canadian and US bank accounts. Subsequent to April 30, 2014 all amounts outstanding were paid to CRA.

Discontinuance of Listing Application

The Company has discontinued its listing application on the Venture Stock Exchange and is seeking new opportunities in any sector. If, as and when the Company is reactivated, it intends to seek a listing on a stock exchange.

FOCUSED EXPLORATION

The Company had one flag ship property which was its Rye Patch property in Nevada, USA. Management contemplated a drill program on this property but funding was not available. No further work was performed. The Company entered into an agreement with Gold Range Company LLC on May 25, 2015 which surrendered all interest in the Rye Patch property for $Nil proceeds.

Due to the dire mining industry situation, there has been no work program agreed to with the Operator (Golden Gryphon Explorations Inc.) since 2013. There is no work program in place for 2014 on the Bottle Creek property.

Subsequent to the period covered by this report, the Company entered into an agreement with the Operator on March 8, 2016 which surrendered all interest in the Bottle Creek property for proceeds of $15,000. The Company's interest in Bottle Creek, as agreed with the Operator had been reduced to a non-working, no-contributing status.

ON-GOING PROJECTS

Listed below is a summary of the main projects and their status:

Country	Project	Commodity	Status at April 30, 2014	2015 Plans	Red Ore Ownership
United States	Bottle Creek	Gold	No work program has been proposed for this project.	Divest this property.	As of March, 2016 a non-working, non contributing interest
United States	Rye patch	Gold/Silver	No work program has been proposed for this project.	The property was disposed of on May 25,	100%

Mineral resources and mineral reserves

The Corporation has no known mineral reserves as defined by and compliant with the requirements of National Instrument 43-101.

Exploration and evaluation expenditures

During the year ended April 30, 2014, the Company incurred $48,671 of exploration and evaluation expenses to keep the property in good standing. All of the costs incurred were property maintenance costs.

Bottle Creek Property – Nevada

The Company is maintaining an interest in the Bottle Creek property but has no funds available for exploration, which will lead to dilution of its interest in the property. There was no exploration budget existent at that time, nor in the future, which required funding.

Subsequent to the period covered by this report, the Company entered into an agreement on March 8, 2016 which surrendered all interest in the property (non-working, non-contributing status) for proceeds of $15,000.

Rye Patch Property - Nevada

On November 5, 2011, the Company announced that it had signed a definitive Option Lease Agreement Gold Range Company LLC (GRC). The Rye Patch property was comprised of 75 unpatented lode claims and one patented lode claim, covers approximately 1,500 acres and 2.5 miles of prospective strike length over the productive Humboldt Thrust Fault.

Subsequent to the date of this report, the Company entered into an agreement (May 25, 2015) with Gold Range Company LLC on which surrendered all interest in the Rye Patch property for $Nil proceeds. The impossibility of funding further exploration made this action necessary.

SELECTED FINANCIAL INFORMATION

The following table contains selected financial information of the Company for the year ended April 30, 2014 and the year ended April 30, 2013.

	Year ended April 30, 2014	Year ended April 30, 2013
Revenue and other income	**$ 311,355**	$ 55,719
Total expenses	**226,332**	484,770
Net income (loss) for the period attributable to the Company	**85,023**	(415,881)
Basic and diluted income (loss) per common share	**0.004**	(0.02)

	As at April 30, 2014	As at April 30, 2013
Total assets	**$ 8,267**	$ 21,745
Total long-term financial liability	**164,693**	$ 159,422
Cash dividends per common share	**NIL**	NIL

The chart below presents the summary financial information of Red Ore Gold Inc.:

Consolidated Statement of Financial Position	Balance as of April 30, 2014 $	Consolidated Statement Of Income (Loss)	Year ended April 30, 2014 $
Current assets	3,205	Operating expenses	(226,332)
Noncurrent assets	5,062	Other items	332,055
Current liabilities	147,860	Net income	105,723
Noncurrent liabilities	164,693		
Shareholders’ equity (deficiency)	(304,286)		

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

Expenses and Net Profit (Loss) for the Year

Total expenses for the year ended April 30, 2014, were $226,332 (April 30, 2013 - $484,770).

Significant variance

Management fees were higher by $29,000 in 2014 compared to 2013. This was due to the fact that the CEO was awarded 510,000 common shares at a value of $0.10 for services provided in 2013 and 2014.

Promotion and investor conference expense was $31,977 lower in 2014 due to the Company not attending any conferences. The Company in an attempt to preserve funds has significantly reduced its promotion budget in 2014.

Exploration expenses were $77,697 lower in 2014 compared to 2013. This is due to the fact that less exploration was undertaken in 2014. The EE costs incurred in 2014 primarily related to option and land management fees paid to keep the claims in good standing.

General and administrative expenses were $37,337 lower in 2014 due to the Company attempting to preserve funds by reducing administrative costs.

Professional fees were $134,974 lower in 2014 due to the Company not achieving a stock exchange listing and no IPO activity by the Company in 2014 YE.

The company realized other income of $311,355 in 2014 compared to $55,719 in 2013. During the year ended April 30, 2014, the Company reached settlements with some of its creditors allowing it to write off accounts payable balances in the amount of $276,534 related primarily to its prior business that had remained unpaid for several years.

No cash dividends have been paid by the Company. The Company has no present intention of paying cash dividends on its common shares as it anticipates that all available funds will be invested to finance new and existing exploration activities.

Quarterly results

Quarter	Net Income (Loss) ($)	Income (Loss)/ Share ($)	Total Assets ($)	Shareholder's Equity ($)	Non controlling interest ($)
Q4/2014	2,227	0.00	8,267	(283,586)	-
Q3/2014	(7,417)	(0.00)	13,711	(315,492)	-
Q2/2014	108,905	0.01	16,865	(303,454)	-
Q1/2014	(18,692)	(0.00)	20,285	(589,630)	-
Q4/2013 *	8,948	0.00	21,745	(590,938)	-
Q3/2013 *	(76,363)	(0.00)	59,775	(612,581)	-
Q2/2013 *	(179,548)	(0.02)	75,443	(601,219)	-
Q1/2013	(182,088)	(0.01)	90,400	(521,570)	5,954

* On August 10, 2012 the Company dissolved its 60% owned subsidiary Bottle Creek Exploration LLC.

CRITICAL ACCOUNTING ESTIMATES

Preparing financial statements in conformity with IFRS requires the Company to select from possible alternative accounting principles. Estimates also affect classification and reported amounts for various assets, liabilities, equity balances, revenues and expenses. Prior estimates are revised as new information is obtained and are subject to change in future periods. Management believes the accounting policies and estimates used in preparing the consolidated financial statements are considered appropriate in the circumstances but are subject to numerous judgments and uncertainties inherent in the financial reporting process.

Exploration and evaluation costs – Exploration and evaluation costs of mineral exploration properties together with direct exploration and development expenditures are only capitalized when the Board of Directors is convinced that the Company has an economically feasible mineral reserve located on one of its exploration properties. Until that point, all exploration and evaluation costs are expensed until an economically feasible reserve is identified.

Income taxes - The Company is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities based on the Company's current understanding of tax laws as applied to the Company's circumstances. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Stock option valuation - Issuances and grants of share options are valued using the fair value method. Management uses the Black-Scholes valuation model to estimate the fair value of options determined at grant date. Grants of options result in non-cash charges to expense or development property and a corresponding credit to share-based payment reserves. Charges associated with granted options are recorded over the vesting period. Significant assumptions affecting valuation of options include the trading value of the Company's shares at the date of grant, the exercise price, the term allowed for exercise, a volatility factor relating to the Company's historical share price, forfeiture rates, dividend yield and the risk-free interest rate.

LIQUIDITY AND CAPITAL RESOURCES

At April 30, 2014, the Company had a bank overdraft of $1,000. During the year ended April 30, 2014, the Company spent cash of $182,781 through operating activities, and received $173,145 through financing activities.

On March 19, 2014, Revenue Canada ("CRA") provided notice to the Company that the bank accounts would be seized and cleared to pay the outstanding sales tax liability. On March 24, 2014, CRA withdrew all of the funds in the Company's Canadian and US bank accounts. Subsequent to April 30, 014 the full liability was paid and the bank accounts returned to operation.

In mid-2014, however, the Company exhausted its capital resources and as a result, in the latter half of 2014, the CTOs were issued for failure to file required continuous disclosure documents. This has seriously affected the Company's ability to raise capital.

The Company requires additional funding to be able to further its existing exploration projects and to meet ongoing requirements for general operations. The ability of the Company to continue as a going concern is dependent on raising additional financing, development of its property and generation of profitable operations in the future. However, relief from the CTOs must be sought first.

Financing Transactions

<u>Year ended April 30, 2014</u>

On July 9, 2013, the Company issued 200,000 units to investors at a price of $0.10 per unit for gross proceeds of $20,000 as part of a private placement. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to acquire one common share of the Company at a price of $0.15 per common share exercisable on or before July 9, 2015.

During Q2 2014 the Company received funds of $90,000 in relation to an ongoing private placement. The Company has an obligation to issue 900,000 units to investors at a price of $0.10 per unit. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to acquire one common share of the Company at a price of $0.15 per common share exercisable for two years from the date of issuance.

On August 27, 2013, the Company issued a creditor 250,000 common shares as part of a settlement of long outstanding payables. The shares were issued with a deemed price of $0.10 per share. No warrants or options were issued in conjunction with the shares.

On October 29, 2013, the Company issued 50,000 common shares with a deemed value of $0.10 per share as payment on the land management agreement for the Rye Patch property.

On November 13, 2013, the Company issued 100,000 units to investors at a price of $0.10 per unit for gross proceeds of $10,000 as part of a private placement. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to acquire one common share of the Company at a price of $0.15 per common share exercisable on or before November 13, 2015.

On January 20, 2014, the Company issued a creditor 526,288 common shares as part of a settlement of long outstanding payables as well as compensation owing to the CEO. The shares were issued with a deemed price of $0.10 per share. No warrants or options were issued in conjunction with the shares.

On April 30, 2014 the Company issued 90,000 common shares at a deemed price of $0.10 for CEO compensation.

OUTSTANDING SHARE DATA

Information with respect to outstanding common shares, warrants, compensation options, compensation option warrants and stock options as at May 3, 2016, April 30, 2014 and April 30, 2013, are as follows:

	May 3, 2016	**April 30, 2014**	**April 30, 2013**
Common shares	21,830,227	21,830,227	19,813,939
Stock options	-	1,550,500	1,550,000
Warrants	-	9,304,500	10,074,500
Fully diluted shares outstanding	**21,830,227**	**32,685,227**	**31,438,439**

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, accounts payable, and convertible loan and debenture. The fair value of certain instruments approximates the carrying value due to their short-term nature.

	Financial Instrument Classification	**Carrying amount $**	**Fair value $**
Financial liabilities			
Bank overdraft	Financial assets through profit and loss	1,000	1,000
Accounts payable	Loans and borrowings	83,715	83,715
Convertible debenture	Loans and borrowings	164,693	186,419
Due to related party	Loans and borrowings	63,145	63,145

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.

- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data. As at January 31, 2014, the Company does not have any Level 3 financial instruments.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any material off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities, derivative instrument obligations, or with respect to any obligations under a variable interest entity arrangement.

TRANSACTIONS WITH RELATED PARTIES

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

The Company considers Rosehearty Energy Inc. ("Rosehearty")(formerly Galahad Metals Inc.) to be a related company due to common directors and management.

Transactions with key management personnel

Key management of the company are members of the Board of Directors, the Chief Executive Officer, the Chief Financial Officer, Vice President of Exploration, and President. Key Management remuneration includes the following:

	April 30, 2014	April 30, 2013
Short-term key management benefits		
Compensation including bonuses	**$ 51,000**	$ 149,370

Transactions with related parties

At April 30, 2014, the Company has a long term convertible note with a face value $186,419 (April 30, 2013 - $186,419) payable to Rosehearty Energy Inc. The convertible debt has accrued interest of $18,642 as at April 30, 2014, which has been waived by Rosehearty and has been treated as forgiveness of debt and taken into other income.

During the year ended April, 2014, a company controlled by the former Vice President of Exploration was issued 50,000 common shares valued at $0.10 per share related to land management fees for the Rycroft, which amount was reflected in exploration and evaluation expenditures.

The former President of the company was issued 106,288 common shares valued at $0.10 per share in settlement of accounts payable.

During the year ended April 30, 2014 the Chief Executive Officer advanced the company $63,145, which amount has no specified terms of repayment, is unsecured and non interest bearing and is presented as due to related party. The CEO was issued 510,000 common shares valued at $0.10 as compensation for services rendered.

BOARD PURPOSE AND FUNCTION

The directors and management of the parent company have extensive experience operating in the United States and taking projects through to various stages of exploration and development. There is a balanced representation of directors with operational, corporate and financial backgrounds.

The Board's purpose is to ensure corporate governance, risk, strategy and shareholder interests are priorities at all times. At the end of the financial year under review, the board consisted of four members.

Except as disclosed below, Red Ore Gold Inc. is not aware of any director or of the families of any directors, having any interest, direct or indirect, in any transaction during the last financial year or in any proposed transaction with any company in the Red Ore Gold Inc. which has affected or will materially affect Red Ore Gold Inc.

DIRECTORS AND OFFICERS, CHANGES

On June 25, 2013, Michael Newman, resigned from the Board of Directors.

On August 27, 2013, Patricia Purdy resigned as Corporate Secretary.

On May 31, 2014 Sabino Di Paola resigned as CFO

On May 31, 2014 Robin Dow was appointed interim CFO

On April 9, 2015 Robert Schellenberg resigned from the Board of Directors

On December 31, 2015 Robin Dow resigned as Interim CFO

On December 31, 2015 Douglas Wallis was appointed CFO

On March 24, Larry Hoover resigned as CEO.

On March 24, 2014, Robin Dow was appointed CEO.

On April 4, 2016, Patricia Purdy was appointed Corporate Secretary.

QUALIFIED PERSON

The Company relies on Garry Smith, P. GEO, as the Qualified Person as defined under National Instruments 43-101. Mr. Smith has read and approved the technical information contained in this MD&A. The disclosure on mineralization on properties has not been verified by Mr. Smith and is not necessarily indicative of the Company's anticipated resulted. Where provided, potential quantity and grade is conceptual in nature as the Company has not conducted sufficient exploration to define resources and it is uncertain if further exploration will result in the target being delineated as a mineral resource.

INVESTOR RELATIONS

As at the date of this Management Analysis and Discussion, the Company has not signed a contract with an investor relation company. If, as and when the CTOs are lifted and it's securities become listed on a stock exchange, it will determine at the time whether such a contract will be required.

PROPOSED TRANSACTIONS

The Company is continually reviewing potential situations in all sectors with a view to enhancing value to shareholders. Revocation of the CTOs will assist in this process.

CONTRACTUAL OBLIGATIONS

The Company does not have any fixed contractual obligations or commitments for capital or operating leases, purchase obligations or other long-term commitments except for those related to property option agreements and as disclosed below. Any commitments under exploration property option agreements are cancellable at the Company's option but would result in forfeiture of rights under those agreements.

a) The Company's operations are governed by governmental laws and regulations regarding environmental protection. Environmental consequences are hardly identifiable, in term of level, impact or deadline. At the present time and to the best knowledge of its management, the Company is in conformity with the laws and regulations in effect. Restoration costs will be accrued in the financial statements only when they will be reasonably estimated and will be charged to the earnings at the time.

b) On September 5, 2012, the Company had received notice from Golden Gryphon that Red Ore was delinquent on the cash calls made related to the Bottle Creek Property and as a result would see its ownership diluted. Red Ore as at April 30, 2014, has not yet received notice of the percentage of dilution in its interest in Bottle Creek exploration claims.

c) The Company has a commitment with Rosehearty, related to interest and principal payments on convertible debt.

Year ended April 30	2015	2016	2017	2018	Total
Convertible debenture	$ 18,642	$ 18,642	$ 18,642	$ 205,061	$ 262,541

d) As at April 30, 2014, the Company has negative working capital of $123,955 and as a result does not have significant working capital to meet its existing obligations and fund its operations over the next twelve months. The Company is entirely dependent upon its ability to obtain sufficient cash to cover its operating costs by way of external financing.

e) The Company has a commitment with a creditor to pay down an outstanding payable with 2% of future financings. As of April 30 2014, the balance on the commitment was $20,700 which is reflected in accounts payable.

CONTROL AND PROCEDURES

The Chief Executive Officer and Chief Financial Officer are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external purposes in accordance with IFRS. The design of the Company's internal control over financial reporting was assessed as of the date of this Management Discussion and Analysis.

Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could threaten the Company's financial viability, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and work load will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial reports, the integrity and reputation of senior accounting personnel, and candid discussion of those risks with the audit committee.

RISKS AND UNCERTAINTIES

The Company is subject to a number of risks and uncertainties due to the nature of its business and the present stage of development of its business. Investment in the natural resource industry in general and the exploration and development sector in particular, involves a great deal of risk and uncertainty. Current and potential investors should give special consideration to the risk factors involved, should the Company continue in the mineral business.

It should be noted that the company currently has no mineral assets. However, should the Company secure an interest in a different business, the risk factors may be significantly different, and the Company will define those at that time in the MD&A subsequent to any transaction.

<u>Exploration Stage Company</u>

The Company is engaged in the business of acquiring and exploring mineral properties in the hope of locating economic deposits with the discovery of gold being the Company's focus. The Company's property interests are in the exploration stage only and are without a known economic mineral deposit. Accordingly, there is little likelihood that the Company will realize any profits in the short to medium term. Any profitability in the future from the Company's business will be dependent upon locating an economic mineral deposit, which itself is subject to numerous risk factors. Further, there can be no assurance, even if an economic deposit of minerals is located, that any of the Company's property interests can be commercially mined. The exploration and development of mineral deposits involve a high degree of financial risk over a significant period of time of which even a combination of careful evaluation, experience and knowledge of management may not eliminate. While discovery of additional ore-bearing structures may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration programs of the Company will result in profitable commercial mining operations. The profitability of the Company's operations will be, in part, directly related to the cost and success of its exploration programs which may be affected by a number of factors. Substantial expenditures are required to establish reserves which are sufficient to commercially mine and to construct, complete and install mining and processing facilities in those properties that are actually mined and developed.

Economic Risk

The price of gold and other minerals fluctuate. The future direction of the price of any mineral will depend on numerous factors beyond the Company's control including international, economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and increased production due to new extraction developments and improved extraction and production methods. The effect of these factors on the price of minerals and therefore on the economic viability of the Company's properties, cannot accurately be predicted. As the Company is only at the exploration stage, it is not yet possible for it to adopt specific strategies for controlling the impact of fluctuations in the price of gold.

Management

Dependence on Key Personnel, Contractors and Service Providers, shareholders of our Company rely on the good faith, experience and judgment of the Company's management and advisors in supervising and providing for the effective management of the business and the operations of the Company and in selecting and developing new investment and expansion opportunities. The Company may need to recruit additional qualified contractors and service providers to supplement existing management. The Company will be dependent on a relatively small number of key persons, the loss of any one of whom could have an adverse effect on the Company.

Industry Conditions

The exploration and development of mineral deposits involve significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of a deposit may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves, to develop processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration and development programs planned by the Company will result in a profitable commercial operation.

Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as mineral prices which are highly cyclical and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

Mining operations generally involve a high degree of risk. The Company's operations will be subject to all the hazards and risks normally encountered in the exploration and development of minerals, including unusual and unexpected geology formations, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability.

Value of Our Common Shares

The value of the Company’s common shares could be subject to significant fluctuations in response to variations in quarterly and annual operating results, the success of the Company's business strategy, competition or other applicable regulations which may affect the business of the Company and other factors.

Competition

There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company competes with other interests, many of which have greater financial resources than it has, for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production from successful exploration efforts.

Additional Funding and Financing Risk

Additional funds will be required for future exploration and development. The source of future funds available to the Company is through the sale of additional equity capital or borrowing of funds. There is no assurance that such funding will be available to the Company. Furthermore, even if such financing is successfully completed, there can be no assurance that it will be obtained on terms favorable to the Company or will provide the Company with sufficient funds to meet its objectives, which may adversely affect the Company's business and financial position. In addition, any future equity financings by the Company may result in substantial dilution for existing shareholders.

Environmental Risk

Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There can be no assurance that future changes to environmental regulation, if any, will not adversely affect the Company’s operations. Environmental hazards may exist on the properties in which the Company holds interests that have been caused by previous or existing owners or operators.

Title to Property

Although the Company has obtained title opinions with respect to certain of its properties and has taken reasonable measures to ensure proper title to its properties, there is no guarantee that title to any of its properties will not be challenged or impugned. Third parties may have valid claims underlying portions of the Company's interests.

Uninsured Hazards

The Company currently carries minimal insurance coverage. The nature of the risks the Company faces in the conduct of its operations are such that liabilities could exceed policy limits in any insurance policy or could be excluded from coverage under an insurance policy. The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage or compliance with applicable laws and regulations may cause substantial delays and require significant capital outlays, adversely affecting the Company's financial position.

Conflicts of Interest

Certain Directors of the Company also serve as Directors of other companies involved in natural resource exploration, development and production. Consequently, there exists the possibility that such Directors will be in a position of conflict of interest. Any decision made by such Directors involving the Company are made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such Directors will declare and refrain from voting on, any matter in which such Directors may have a material conflict of interest.

Permits, Licenses and Approvals

The operations of the Company may require licenses and permits from various governmental authorities. The Company believes it holds or is in the process of obtaining all necessary licenses and permits to carry on the activities which it is currently conducting under applicable laws and regulations. Such licenses and permits are subject to changes in regulations and in various operating circumstances. There can be no guarantee that the Company will be able to obtain all necessary licenses and permits that may be required to maintain its mining activities, construct mines or other facilities and commence operations of any of their exploration properties. In addition, if the Company proceeds to production on any exploration property, it must obtain and comply with permits and licenses which may contain specific conditions concerning operating procedures, water use, the discharge of various materials into or on land, air or water, waste disposal, spills, environmental studies, abandonment and restoration plans and financial assurances. There can be no assurance that the Company will be able to obtain such permits and licenses or that it will be able to comply with any such conditions.

Land Claims

At the present time, none of the properties in which the Company has an interest or an option to acquire an interest is the subject of an aboriginal land claim. However, no assurance can be provided that such will not be the case in the future.

Regulatory Matters

The Company's business is subject to various federal, provincial and local laws governing prospecting and development, taxes, labor standards and occupational health, mine safety, toxic substances, environmental protection and other matters. Exploration and development are also subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws impose high standards on the mining industry to monitor the discharge of waste water and report the results of such monitoring to regulatory authorities, to reduce or eliminate certain effects on or into land, water or air, to progressively rehabilitate mine properties, to manage hazardous wastes and materials and to reduce the risk of worker accidents. A violation of these laws may result in the imposition of substantial fines and other penalties.

Mineral Price Fluctuations

The marketability of any mineral is subject to numerous factors beyond the control of the Company. The price of minerals can experience volatile and significant movements over short periods of time. Factors impacting price include but are not limited to demand for the particular mineral, political and economic conditions and production levels and costs of production in other areas or countries.

Operating in Foreign Jurisdictions

The Company operates in the United States of America and as a result is exposed to a level of political, economic and other risks and uncertainties associated with operating in a foreign jurisdiction. Changes, if any, in mining or investment policies or shifts in political attitude in a foreign country in which it operates may adversely affect business operations. Subsequent to the year ended April 30, 2014 the Company ceased operation in the US and operated only in Canada.

STRATEGY AND OUTLOOK

Our objective is to maximize the value of the Company for our shareholders and our strategy to obtain this result is to continually seek opportunities to participate in new ventures in any sector.

The Company intended to retain its interest in the Bottle Creek property as part of this strategy; however, it had no funding available to proceed on the property. On March 8, 2016 the Company disposed of its interest in the property for proceeds of $15,000.

The Company's short term list of objectives is as follows:

1) Recapitalize with adequate funding to revoke the outstanding CTOs on the Company's securities; and;
2) Seek an alternative business opportunity in any sector which could provide value to shareholders.

While Management has been generally successful in obtaining sufficient funding for its operating, capital and exploration requirements from inception to mid- 2014, the imposition of CTOs in the latter part of 2014 has impacted the Company's ability to raise further capital. The Company, subsequent to the period covered by this report , has taken steps to refinance including obtaining an order for a partial revocation of the CTOs to permit it to issue a limited number of securities for (i) funding to bring its continuous disclosure requirements into a current status, and (ii) working capital. There is no assurance. however, that additional future funding will be available to the Company or that, when it is required it will be available on terms which are acceptable to Management.

OTHER INFORMATION

Other information and additional disclosure of the Company’s technical reports, material change reports, news releases, and other information may be found on SEDAR.

CORPORATE INFORMATION

Directors and Officers
Robin Dow, HBA, MBA, FCSI – Chairman
Larry Hoover – Director, President and CEO
Doug Wallis, CPA, CA – CFO
Patricia L. Purdy – Director and Corporate Secretary

Corporate Office
#206 -2290 Marine Drive, West Vancouver, British Columbia, V7V 1K4

Symbol
RXX (not yet listed on any stock exchange)

Independent Auditor
Mazars Harel Drouin, LLP Chartered Professional Accountants

Corporate Banker
Royal Bank of Canada, West Vancouver

Transfer Agent
Capital Transfer Agency Inc., Toronto