CNRP
MINING INC.

MANAGEMENT DISCUSSION & ANALYSIS

FOR THE INTERIM SIX MONTHS PERIOD ENDED JANUARY 31, 2016

(Prepared by Management on March 28, 2016)

208 Queens Quay West, Suite 2506, Toronto, Ontario, M5J 2Y5 Tel: (647) 693-9412

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A) TO ACCOMPANY THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS OF CNRP MINING INC (THE "COMPANY" OR "CNRP") FOR THE SIX MONTHS ENDED JANUARY 31, 2016.

This management Discussion and Analysis is dated March 28, 2016

The following Management's Discussion and Analysis should be read in conjunction with the audited financial statements of the Company for the year ended July 31, 2015 which was prepared in accordance with International Financial Reporting Standards ("IFRS") and the notes thereto and the unaudited Condensed interim Financial Statements for the six months ended January 31, 2016. All financial amounts are stated in Canadian currency unless stated otherwise.

This MD&A contains certain forward-looking statements based on the best beliefs, and reasonable assumptions of the management of the Company. There are many risks and uncertainties attached to the mineral exploration business. Given these risks and uncertainties, the reader should not place undue reliance on these forward-looking statements. (See "Risks and Uncertainties" in this MD&A for more information).

DESCRIPTION OF THE BUSINESS

Overview

CNRP Mining ("CNRP") is a Toronto based mineral company focused on developing its 100% owned Elmtree Gold Project in New Brunswick, Canada. CNRP became a public company on April 19, 2013 following a spin off from Winston Resources Inc (CSE:WRW) ("Winston") and its common shares are listed for trading on the Canadian Securities Exchange ("CSE") under the symbol "CND". The Company was listed as on the CSE on April 19, 2013

CNRP owns 100% of the advanced Elmtree Gold Project in New Brunswick, Canada ("Elmtree"), which it acquired in June 2012 for approximately $7,700,000. During the period ended July 31, 2015 Elmtree was impaired in the CNRP financial statements to a $nil value to reflect the fact that CNRP has not conducted any exploration work on the property and there is no exploration work planned on the property in the near future due to the lack of cash, however management of CNRP are of the opinion that, should sufficient financial resources be available to CNRP, Elmtree can be developed into a producing gold mine.

The Elmtree Property is located in the Bathurst Mining Camp approximately 25 km northwest of Bathurst, New Brunswick and comprises a total of 83 claims that cover a contiguous area of approximately 1,811 hectares. Elmtree has an indicated resource of 99,000 ounces of gold and an inferred resource of 195,000 ounces of gold.

The Qualified Person for the The Elmtree Technical Report is Charley Z. Murahwi, and the Technical Report was prepared by Charley Z. Murahwi, Alan J. San Martin, and Michael Godard of Micon. Messrs. Murahwi, San Martin and Godard are "Qualified Persons" and "independent" of CNRP within the meaning of NI 43-101.

While all geological information contained herein is derived from the Technical Report, the authors thereof have not reviewed nor approved the MD&A. The Technical Report in its entirety can be found under CNRP's SEDAR profile at www.sedar.com .

On February 19, 2013, Winston announced that its board of directors has unanimously approved a proposal to spin off to its shareholders approximately 15% of CNRP and that following the spin-off, CNRP would apply for listing of its common shares on the CSE. The CNRP spin-off was completed by way of a statutory plan of arrangement under the Business Corporations Act (British Columbia). Pursuant to the terms of the Plan of Arrangement, Winston distributed 2,064,982 of the then outstanding 14,000,000 common shares of

CNRP Mining to holders of common shares of Winston such that each Winston shareholder of record on the effective date of the CNRP Plan of Arrangement received 1 common share in the capital of CNRP for every 32 common shares in the capital of Winston. Following the spin-off, CNRP applied for and was granted listing of its common shares on the CSE.

MINERAL PROPERTIES

Elmtree Gold Project

The Elmtree Property is located in the Bathurst Mining Camp approximately 25 km northwest of Bathurst, New Brunswick and comprises a total of 83 claims that cover a contiguous area of approximately 1,811 hectares. Elmtree has a combined indicated and inferred resource of 294,000 ounces of gold.

There are three gold-bearing zones within the property: the West Gabbro Zone, Discovery Zone and the South Gold Zone. Micon International Limited completed a NI 43-101 compliant technical report on May 25, 2012 (the "Technical Report") which shows 1,611,000 indicated tonnes grading 1.91 g/t gold (99,000 ounces gold) and 2,053,000 inferred tonnes grading 1.67 g/t of gold (110,000 ounces of gold) in the West Gabbro Zone, with 2,367,000 inferred tonnes grading 0.74 g/t in the South Gold Zone (56,000 ounces of gold), 700,000 inferred tonnes grading 1.25 g/t in the Discovery Zone (29,000 ounces of gold). The cut-off grade used for the West Gabbro Zone and the Discovery Zone is 0.5 g/t Au and that for the South Gold Zone is 0.3 g/t Au.

According to the February 2012 Mining Policy Potential Index by the independent research group Fraser Institute, New Brunswick is the most attractive mining jurisdiction in the world, with excellent local milling and processing infrastructure, including power, roads and a skilled work force. CNRP intends to explore and expand the known Elmtree resource.

Elmtree has an indicated and inferred gold resource of 294,000 ounces, and the management of CNRP seeks to expand the resource with additional drilling and subsequently to complete an open pit mine development feasibility study. CNRP commissioned an updated NI43-101 in June 2012 undertaken by Micon International, who are well known for their conservative approach to technical reports, which increased the resource at Elmtree by 33%. It is now seeking to raise funds to proceed with Phase 1 of a drilling campaign which is intended to define the size of the resources prior to a pre-feasibility analysis for an open pit mine.

Overview of Geology

The Elmtree Property is situated within the Elmtree Inlier which constitutes a tectonic sliver considered to be a remnant of Dunnage Terrain oceanic crust, located adjacent to the north margin of the terrain's Exploits Sub-Zone. The Elmtree Inlier consists of strata of the Fournier Group and Belledune River Melange (formerly Elmtree Group). The first consists of an Ordovician volcanic-sedimentary sequence comprised of ophiolitic volcanics, deformed mafic intrusions, minor plagiogranite and dark grey slate, greywacke and melange, and the second contains later Ordovician lithic and quartz wacke and interbedded grey slate, locally with thinly interbedded limestone and conglomerate. Minor amounts of mafic volcanics are also present. The most important structural aspects of the property are the Elmtree Fault system and its anastamosing subsidiary shears that trend generally east-west to east-northeast across the property and show steep to vertical dips where defined by drilling and mapping. The main Elmtree Fault structure is a splay of the crustally significant Rocky Brook-Millstream Fault that occurs approximately 8 km to the south, where it forms the tectonic boundary with adjacent rocks of the Mirimichi Terrain. Within the property area, the Elmtree Fault manifests itself as a broad zone of shearing, fracturing and deformation separating graphitic argillites of the Elmtree Formation from calcareous siltstones of the Chaleurs Group. The structure is thought to have controlled emplacement of the gabbroic intrusion that hosts the West Gabbro Zone gold mineralization on the property, while subsidiary structures on the Elmtree Property have controlled emplacement of felsite and feldspar porphyry dykes as well as mineralized quartz vein arrays and hydrothermal alteration zones in the nearby South Zone and Discovery Zone areas.

Overview of Mineralization

Gold, base metal and silver mineralization have been identified on the Elmtree Property and are considered to have been developed under mesothermal conditions conducive to ductile and brittle-ductile shearing and alteration. Pervasive alteration associated with such mineralization suggests control of associated hydrothermal alteration systems on the property by the Elmtree Fault and its related splays. Intensity of alteration development appears to reflect both original rock type and degree of deformation, since strongly sheared or fractured Iithologies often show the greatest degrees of both hydrothermal alteration and associated gold and sulphide mineralization. Other factors, such as original grain size in mafic gabbroic intrusions, also appear to control alteration intensity, as seen in the West Gabbro Zone's central core.

Three separate gold deposits have been discovered on the property to date. These are the West Gabbro Zone (WGZ), the Discovery Zone (DZ) and the South Gold Zone (SGZ).

West Gabbro Zone

Gold occurs in sulphide bearing vein arrays and also within the intensely altered host gabbro in association with finely disseminated to locally massive arsenopyrite and other sulphides such as pyrrhotite and pyrite. Lesser amounts of chalcopyrite, sphalerite and stibnite are also present. The highest gold grades are found in areas showing most intense alteration of the intrusion, with a direct association being seen between gold and presence of arsenopyrite.

Discovery Zone

This zone consists of multiple quartz-sulphide vein assemblages hosted by variably sheared and altered argillites and siltstones (Elmtree Formation), as well as variably sheared and altered calcareous siitsones of the Silurian Chaleurs Group. One of these assemblages carries significant silver, zinc, lead and antimony levels with relatively low gold and shows close association with specific felsic dyke contact intervals. Sphalerite, galena, chalcopyrite, pyrite, stibnite and silver bearing sulphosalts are present The other assemblage is more comparable to that seen in some parts of the SGZ and WGZ, where finely disseminated to locally massive arsenopyrite occurs in association with pyrrhotite, pyrite and minor amounts of sphalerite, chalcopyrite and stibnite in either highly altered host sections or within quartz vein and stringer arrays. The east-west striking shears typically show vertical or very steep dips and are considered brittle-ductile elements of the Elmtree Fault system.

South Gold Zone

Gold mineralization in the SGZ occurs in Silurian siltstones and fine grained interbedded sandstones that frequently show calcareous matrix materials. The mineralized zone is characterized by cross shears and brittle fractures associated with the Elmtree Fault system and shows hydrothermal alteration represented by bleaching, sericitic alteration and silicification of the sedimentary section. Fine grained and generally acicular arsenopyrite is broadly present in the altered and locally sheared sections and often is associated with quartz vein arrays showing well developed sulphide assemblages consisting of arsenopyrite, pyrrhotite, pyrite and trace to minor amounts of base metal sulphides or sulphosalts.

Exploration

The history of modern mineral exploration on the Elmtree Property began with Amax Exploration Ltd. (1958) which completed ground geophysics on two grids located in the Alcida area and completed two diamond drill holes that failed to return significant gold, silver or base metals. Lacana Mining Corp. (Lacana) prospectors are credited with the discovery of the Elmtree gold deposits in 1994. These prospectors observed several boulders and bedrock showings of quartz and sulphides in vein style settings on the property. Thereafter, Lacana established the extents of the discovery using a multi-disciplinary approach involving ground and airborne geophysics (magnetics and VLF-EM), soil geochemistry, trenching and geological mapping followed by drilling. Stratabound and Castle's exploration programs (2004 - 2010) have involved detailed delineation drilling of the deposits with special emphasis on the WGZ which was identified as offering the best potential.

Mineral Resource Estimation

The resources in the Elmtree Technical Report were estimated in accordance with the definitions contained in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Reserves Definitions and Guidelines that were prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council on November 27, 2010. The effective date of the mineral resource estimate is 4 March, 2011. Resources have been estimated using a three-dimensional block modelling approach. For each mineralized zone, wireframe models have been built up from intersected geologic limits. Grade interpolation for the WGZ was conducted using the inverse distance cubed (ID3) technique while interpolations for the DZ and SGZ were conducted using the nearest neighbour (NN) technique due to limited drill hole information.

The total estimated resources for the Elmtree Property are shown in the "Elmtree Deposits Mineral Resources Estimate" Table at a cut-off grade of 0.5 g/t gold, except for the Discovery zone, which is at 0.3 g/t.

Elmtree Deposits Mineral Resource Estimate

Deposit Zone	Category	Tonnes	AU (g/t)	AU oz	Ag (g/t)	Pb%	Zn%
West Gabbro Zone	Indicated	1,611,000	1.91	99,000			
West Gabbro Zone	Inferred	2,053,000	1.67	110,000			
South Gabbro Zone	Inferred	2,367,000	0.74	56,000			

Discovery AU only Zone	Inferred	583,000	1.15	22,000			
Discovery Au/Ag/Pg/Zn Zone	Inferred	117,000	1.77	7,000	44.36	0.78	2.17
DZ Ag/Pg/Zn Zone	Inferred	41,000	N/A	N/A	25.80	0.43	1.53
Sub-Total DZ Inferred	Inferred	741,000	1.18	N/A	8.43	0.15	0.43

Notes:

(1) Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.

(2) There has been insufficient exploration to define the inferred resources as an indicated or measured mineral resource. It is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.

(3) At present there are no known environmental, permitting, legal, title, taxation, socio-economic, marketing or political issues which would adversely affect the mineral resources estimated above. However, mineral resources which are not mineral reserves, do not have demonstrated economic viability. There is no assurance that CNRP will be successful in obtaining any or all of the requisite consents, permits or approvals, regulatory or otherwise, for the project.

INTEREST IN MINERAL PROPERTIES

The capitalized cost of the property is detailed in the following analysis.

Elmtree Gold Project, New Brunswick, Canada

Acquisition Costs $7,703,760

Balance at January 31, 2016 $nil

During the year ended July 31, 2015, management determined that the remaining balance of $5,393,760 of the Elmtree Property is fully impaired because the Company had not conducted any exploration work on the property and there is no exploration work planned on the property in the near future due to the lack of cash.. The total accumulated impaired amount of $7,703,760 is determined by using the estimated fair value of the property less disposal costs since there is no cash flow from the property to determine the value in use.

FINANCIAL STATEMENTS GOING CONCERN ASSUMPTION

The unaudited condensed interim financial statements of the Company for the six months ended January 31, 2016 have been prepared on the basis of accounting principles applicable to a going concern under IFRS. The use of these principles under IFRS assumes that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge its liabilities in the normal course of operations. The Company acquired its first exploration and evaluation assets ("E&E") in June 2012, as such active exploration has not commenced. It is unknown whether the E&E contain reserves that are economically recoverable. As a company that is commencing active operations; it incurs operating losses, which casts significant doubt about the Company's ability to continue as a going concern.

The business of exploration involves a high degree of risk, as such there is no assurance that the Company's expected exploration programs will result in profitable mining operations. Until it is determined that the E&E contain mineral reserves or resources that can be economically mined, they are classified as exploration and evaluation assets using the full cost method allowed under IFRS 6. The Company's continued existence is dependent upon the discovery of economically recoverable reserves and resources, securing and maintaining title and beneficial interest in its E&E, and making the required payments pursuant to E&E purchase agreements. The Company has yet to generate income and cash flows from its operations.

There is no assurance that the Company will be able to obtain the external financing necessary to explore, develop if E&E are proven successful and bring to commercial production its E&E. The Company has no proven history of profitability, which casts doubt as to whether the Company will be able to continue as a going concern should it not be able to obtain the necessary financing to fund working capital and capital expenditures. The ability of the Company to arrange such financing in the future depends in part upon the prevailing capital market conditions as well as the business performance of the Company. If additional financing is raised by the issuance of shares from the treasury of the Company existing shareholders may have their interest diluted. If adequate financing is not available, the Company may be required to relinquish rights to certain of its interests or terminate its operations.

As at January 31, 2016, the Company has yet to generate revenues from operations and had a deficit of $9,889,061 (July 31, 2015 - $9,868,319). The Company is actively seeking additional sources of financing. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern that these uncertainties are material and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore to realize its assets and discharge its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements. These adjustments could be material.

RESULTS OF OPERATIONS

The Company is in the exploration and evaluation stage and therefore did not have any revenue from operations. For the six months ended January 31, 2016 the Company incurred a net loss and comprehensive loss of $20,742 ($0.00 loss per share) (2015 – loss of $23,969 ($0.00 loss per share)).

This loss is mainly comprised of office general and administrative expenses and legal fees for the six months period ended January 31, 2016 and 2015

For the six months ended January 31, 2016 the Company's net cash (used) / provided in operating activities was ($11,983) (2014 -$2,078); the net cash provided by financing activities $10,915 (2015 - $4,191) and net change in cash was ($1,068) (2015 - $2,113).

Depending on future events, the rate of expenditures and general and administrative costs could increase or decrease.

Summary of Quarterly Results

The tables provide selected financial information that should be read in conjunction with the audited/unaudited financial statements of the Company for the applicable period:

Quarter ended	Jan. 31, 2016	Oct. 31, 2015	Jul. 31, 2015	Apr. 30, 2015
	$	$	$	$
Net loss	12,748	7,994	5,405,773 *(1)*	871,029
Interest in Mineral Properties	nil	nil	nil	5,393,760
Current Assets	3,920	2,306	3,681	1,031
Total Assets	3,920	2,306	3,681	5,394,791
Total Liabilities	820,606	806,244	799,625	785,087
Total Shareholder's (Deficiency) Equity	(816,686)	(803,938)	(795,944)	4,609,704

(1)For the fourth quarter ended July 31, 2015, the net loss was $5,405,773. This was mainly due to $5,393,760 write down of exploration and evaluation assets, $5,178 office and general, and $2,147 shareholders' information.

Quarter ended	Jan 31, 2015	Oct. 31, 2014	Jul. 31, 2014	Apr. 30, 2014
	$	$	$	$
Net loss	12,544	11,425	2,334,160*(2)*	8,234
Interest in Mineral Properties	5,393,760	5,393,760	5,393,760	7,703,760
Current Assets	195,217	198,379	207,594	221,033
Total Assets	6,260,821	6,263,983	6,273,198	8,596,637
Total Liabilities	780,088	770,706	772,896	762,975
Total Shareholder's Equity	5,480,733	5,493,277	5,500,302	7,833,662

(2)For the fourth quarter ended July 31, 2014, the net loss was $2,334,160. This was mainly due to $2,310,000 write down of exploration and evaluation assets.

Liquidity and Solvency

The Company will need access to equity capital to pursue its business plan and there is no guarantee that equity may be available, and if available it may not be on terms that Management finds is in the interest of the Company. The Company may also borrow funds from its CEO. In order to maintain its operations the Company needs funds for primarily management fees, legal and accounting. Some of the management fees have been accrued by management and as a result do not represent a cash requirement for the Company; however there is no assurance that management fees will be accrued in the future. The Company would need to raise additional equity capital in order to pursue other investment opportunities or to support special projects. The exploration budget for Elmtree will require additional equity to be raised in order to complete the exploration budget and there is no guarantee that such equity can be raised by the Company. If such funds are not available or other sources of financing cannot be obtained, then the Company will be forced to curtail its activities.

Cash	$ -
Working Capital (Deficiency)	$ (816,686)
Cash Used in Operating Activities	$ (11,983)
Cash Provided by Financing Activities	$ 10,915
Decrease in Cash	$ 1,068

Capital Resources

The Company has no operations that generate cash flow and its long term financial success is dependent on discovering properties that contain mineral reserves that are economically recoverable. The Company's primary capital assets as at January 31, 2016 are government HST recoverable and exploration and evaluation assets, which are fully impaired as at January 31, 2016. The Company has no commitments for capital expenditure, and there are no known trends or expected fluctuations in the Company’s capital resources.

The following is a summary of the Company's outstanding share, warrant and stock options data as of March 28, 2016.

<u>Common Shares</u>

On March 28, 2016 the Company had issued and outstanding 14,050,000 common shares.

<u>Stock Options</u>

At March 28, 2016, the Company had 1,400,000 stock options issued and outstanding.

Date issued	Number	Name of Optionee if Related Person and relationship	Exercise Price	Expiry Date	Market Price on date of Grant
10/13/2014	575,000 (1)	Daniel Wettreich, Director	$0.05	10/31/2017	$0.01
10/13/2014	450,000	Mark Wettreich, Director	$0.05	10/31/2017	$0.01
10/13/2014	125,000	Peter Wanner, Director	$0.05	10/31/2016	$0.01
5/30/2014	125,000	Paul Cullingham, Director	$0.05	7/31/2016	$0.01
7/01/2015	125,000	David Lonsdale, Director	$0.05	7/01/2017	$0.01

(1) Daniel Wettreich surrendered 125,000 options on July 1, 2015

Warrants

At March 28, 2016, the Company had no warrants and brokers' warrants outstanding.

Outlook and Capital Requirements

The Company is due to make interest payments to third parties relating to the acquisition of the Elmtree property and although it has received several extensions with regard to these payments there is no guarantee that such extensions will continue to be received. As of November 22, 2013 the Company ceased to make all interest payments. The Company will need to raise additional equity capital or make other financial arrangements to make any future payments. There is no guarantee that market conditions will be conducive to raising such additional equity capital or financial arrangements. Depending on future events, the rate of Company expenditures and general and administrative costs could increase or decrease.

Related Parties Transactions

Related party transactions were in the normal course of operations and were measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

As at January 31, 2016, the due to related parties is $57,802 (July 31, 2015 - $46,887).This amount is comprised of $23,967 (July 31, 2015 - $23,967) due to Sammiri Capital Inc., a private company controlled by Daniel Wettreich, a director of the Company, amount due to GreenBank Capital Inc., a related company, of $27,744 (July 31, 2015 -$17,564) and due to Danny Wettreich in the amount of $6,091 (July 31, 2015 - $5,356). These amounts were made to provide working capital and are non-interest bearing and without fixed terms of repayment.

During the three and six months ended January 31, 2016, the Company incurred transfer agent fees of $nil and $702, respectively (three and six months ended January 31, 2015 - $nil) to Reliable Stock Transfer Inc., ("Reliable") a company owned by Daniel Wettreich for the provision of share transfer services. As at January

31, 2016, amount owed to Reliable is $4,158 (July 31, 2015 - $3,315) and has been included in the amounts payable and other liabilities.

Key Management Compensation

As at January 31, 2016, the amount of $33,900 (July 31, 2015 - $33,900) was owed to Sammiri Capital Inc. in relation to the provision of previous periods management services and has been included in amounts payable and other liabilities.

During the three and six months ended January 31, 2016, the Company granted nil (three and six months ended January 31, 2015 - nil and 1,275,000, respectively) options to various directors and they were assigned a fair value of $nil (2015 - $nil and $4,400, respectively).

Off-Balance Sheet Arrangements.

The Company does not utilize off-balance sheet transactions.

Proposed Transactions

There are no proposed transactions that will materially affect the performance of the Company other than those disclosed in this MD&A.

Accounting Policies

The accounting policies and methods employed by the Company determine how it reports its financial condition and results of operations, and may require management to make judgments or rely on assumptions about matters that are inherently uncertain. The Company's results of operations are reported using policies and methods in accordance with IFRS. In preparing financial statements in accordance with IFRS, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses for the period. Management reviews its estimates and assumptions on an ongoing basis using the most current information available. These financial statements have been prepared by management in accordance with IFRS. Outlined below are those policies considered particularly significant:

Significant Estimates and Judgments

The preparation of these financial statements in accordance with IFRS requires management to make judgements and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgements and estimates in relation to assets, liabilities, revenue and expenses.

Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgements and estimates. Actual outcomes may differ from these estimates.

The most significant estimates relate to impairment assessments of E&E, recoverability of HST and the valuation of share-based payments. Other major assumptions is the fair value of related party accounts payable and accounts receivable and the classification of current and non-current. The most significant judgements relate to the use of the going concern assumption in the preparation of the financial statements, the recognition of deferred income tax assets and liabilities, and the determination of the economic viability of exploration and evaluation assets.

After capitalization, E&E assets are reviewed for indicators of impairment at each reporting period under IFRS 6. Determining if there are any facts and circumstances indicating impairment loss is a subjective process involving judgment and a number of estimates and interpretations in many cases. When an indication of impairment loss exists, the recoverable amount of the cash generating unit ("CGU") must be estimated. Identifying the CGUs requires management judgment. In testing CGUs for impairment, management estimates the recoverable amount of the CGUs. This requires management to make several assumptions as to future events or circumstances.

The Company records all share-based compensation using the fair value method. The Company uses the Black-Scholes option pricing model to determine the fair value of share-based compensation. The main factor affecting the estimates of the fair value of stock options is the stock price, expected volatility used and the expected duration of the instrument. The Company currently estimates the expected volatility of its common shares based on comparable information derived from the trading history of guideline public companies which are in a similar situation to the Company taking into consideration the expected life of the options.

The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available for its operations and working capital requirements.

Related Party Transactions and Disclosures

Parties are considered to be related if one party has the ability to directly or indirectly control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be Individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions are in the normal course of business and have commercial substance and are measured at the fair value.

Deferred income taxes

Deferred income taxes are provided using the liability method on temporary differences at the date of the statement of financial position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

- Deferred income tax liabilities are recognized for all taxable temporary differences, except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- Taxable temporary differences associated with investments in associates and interests in joint ventures, where the timing in the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date of the statement of financial position and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each reporting date of the statement of financial position and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is expected to be realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the date of the statement of financial position. Deferred income taxes relating to items recognized directly in equity are recognized in equity and not in the statement of comprehensive income.

Deferred income tax assets and deferred income tax liabilities are offset if, and only if, a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority which intend to either settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Impairment of non-financial assets

At each reporting date of the statement of financial position, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication that these assets suffer any impairment in value, except for E&E which is first assessed against the indicators of IFRS 6. If any such IFRS 6 indication exists, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss.

If the recoverable amount of an asset is estimated to be less than its carrying amount, its carrying amount is reduced to its recoverable amount with a corresponding impairment loss recognized in the statement of comprehensive income in the period of impairment.

If an impairment loss reverses in a subsequent period then the carrying amount of the asset is increased to its revised value to the extent that the increased carrying amount does not exceed its original carrying amount at the initial date of acquisition.

Functional currency

The Company’s presentation and functional currency is the Canadian dollar.

Exploration and evaluations assets (“E&E”)

E&E assets consist of exploration and mining concessions, options and contracts. Acquisition costs, lease costs and exploration costs are capitalized and deferred until such time as the asset is moved to a mining asset (if meets the economic and feasible stage) or the properties are disposed of either through sale or abandonment.

E&E costs consist of such items as:

- Acquisition of exploration properties;
- Gathering exploration data through topographical and geological studies;
- Exploratory drilling, trenching and sampling;
- Determining the volume and grade of the resource;
- Test work on geology, metallurgy, mining, geotechnical and environmental; and
- Conducting engineering, marketing and financial studies.

E&E shall be assessed for impairment when one or more of the following facts and circumstances indicate that a specific CGU should be tested for impairment:

1. The period for which the entity has the right to explore in the specific area has expired during the financial statement period or will expire in the near future and is not expected to be renewed.

2. Substantive expenditures on further exploration for, and evaluation of, mineral resources in the specific area is neither budgeted nor planned.
3. Exploration for and evaluation of mineral resources in the specific area has not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area.
4. Sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or sale.

The Company estimates the recoverable amount of each CGU, on the basis of areas of interest. Management groups mineral claims that are contiguous and specific to an area that encompasses the same prospective minerals, into one area of interest and assigns a name to this mineral property.

Recoverable amount is the higher of fair value less disposal costs and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as 'mines under construction'. E&E are also tested for impairment before the assets are transferred to development properties.

Equity Settled Transactions

The costs of equity-settled transactions with employees are measured by reference to the fair value at the date on which they are granted.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (“the vesting date”). The cumulative expense is recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company’s best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge for a period represents the movement in cumulative expense recognized as at the beginning and end of that reporting period and the corresponding amount is represented in share based compensation reserve.

When the share-based payment arrangement has been cancelled or the terms have expired the fair value assigned to the share-based payment arrangement is transferred to contributed surplus.

Share Capital

Financial instruments issued by the Company are treated as equity only to the extent that they do not meet the definition of a financial liability. The Company’s common shares are classified as equity instruments

Incremental costs directly attributable to the issue of new shares are recognized in equity as a reduction from the gross proceeds received from the issued shares.

Financial instruments

<u>Fair value through profit or loss (FVTPL)</u>

Financial assets that are held with the intention of generating profits in the near term are classified as held for trading within FVTPL. In addition, any other financial assets can be designated by the Company upon initial recognition as held for trading. These instruments are subsequently re-measured at fair value with the change in the fair value recognized as gain or loss in the statement of loss and comprehensive loss during the period.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such by management or not classified in any of the other categories. Available-for-sale financial assets are measured at fair value with changes recognized in other comprehensive income. Upon sale or impairment, the accumulated fair value adjustments recognized in other comprehensive income are recorded in the statements of loss and comprehensive loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate method ("EIR"), less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of comprehensive loss. The losses arising from impairment are recognized in the statement of loss and comprehensive loss. The Company has classified HST recoverable and due from parent company and company under common control as loans and receivable.

Other financial liabilities:

Other financial liabilities are recognized initially at fair value net of any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost. The effective interest rate (or amortized cost method) is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition. Other financial liabilities are de-recognized when the obligations are discharged, cancelled or expired.

Financial instruments recorded at fair value:

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels

Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The company's cash is considered Level 1 in the hierarchy.

Loss Per Share

Loss per share is calculated based on the weighted average number of common shares issued and outstanding during the period. In the years when the Company reports a net loss, the effect of potential issuances of common shares are anti-dilutive, therefore, basic and fully diluted loss per common share is the same. The diluted loss per share reflects the potential dilution of common share equivalents, such as the conversion of outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the year, if dilutive. The treasury stock method is used for the assumed proceeds upon exercise of the options and warrants.

Future Accounting Policies

At the date of authorization of these Financial Statements, the IASB has issued the following new and revised Standards and Interpretations which are not yet effective for the relevant reporting period.

- IFRS 9 Financial Instruments ("IFRS 9")

  IFRS 9 was issued by the IASB in November 2009 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9replace the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortization costs and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. This standard also requires an expected loss impairment method to be used, replacing the incurred loss model.

  In October 2010, the IASB added requirements for financial liabilities to IFRS 9. These requirements were largely carry forward from the existing requirements in IAS 39, however, fair value changes due to credit risk for financial liabilities designated at fair value through profit and loss are to be recorded in other comprehensive income.

  In November 2013 the IASB amended IFRS 9 to include a new general hedge accounting model. The amendment also removed the January 1, 2015 effective date.

  In July 2014, the IASB issued the final version of IFRS 9 that supersedes the requirements of earlier versions of the standard. The new standard will replace both IAS 39 and IFRIC 9 - . Reassessment of Embedded Derivatives. The standard will retain the classification and measurements requirements and new hedge accounting model introduced by the previous versions while introducing a new single forward-looking expected credit loss impairment model. The final version of this new standard is effective for annual periods beginning on or after January 1, 2018. The Company is still in the process of assessing the impact of this pronouncement.

- .IAS 11 Joint Arrangements ("IAS 1")

  Joint Arrangements was amended in May 2014 to require business combination accounting to be applied to acquisitions of interests in a joint operation that constitute a business. The amendments are effective for annual periods beginning on or after January 1, 2016. Early adoption is permitted. The Company is still in the process of assessing the impact of this pronouncement.

- IAS 1 Presentation of Financial Statements ("IAS 1")

  IAS 1 was amended in December 2014 in order to clarify, among other things, that information should not be obscured by aggregating or by providing immaterial information that materiality consideration apply to all parts of the financial statements and that even when a standard requires a specific disclosure. Materiality considerations do apply. The amendments are effective for annual periods beginning on or after January 1, 2016. Earlier adoption permitted. The Company is still in the process of assessing the impact of this pronouncement.

Various other accounting pronouncements (such as IFRS 14, IFRS 15, and the various annual improvements) that have no material impact to the Company are not included above. The Company has not early adopted these standards.

Financial Risk Management Objectives and Policies

The Company is exposed to various financial risks resulting from both its operations and its investments activities. The Company's management, with the Board of Directors oversight, manages financial risks. Where material, these risks will be reviewed and monitored by the Board of Directors. The Company does not enter into financial instrument agreements including derivative financial instruments for speculative purposes.

Financial Risks

The Company's main financial risk exposure and its financial risk management policies are as follows:

Credit risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The credit risk is limited to the carrying value amount carried on the statement of financial position. The Company's assets most susceptible to credit risk is its cash, which is held at a Canadian chartered bank in a non-interest bearing account, HST recoverable, which is due from the Canadian government. As such, the risk of loss on these assets is minimal.

Market Risk

Market risk is the risk of uncertainty arising primarily from possible commodity market price movements and their impact on the future economic viability of the Company's projects and ability of the Company to raise capital. These market risks are evaluated by monitoring changes in key economic indicators and market information on an on-going basis and adjusting operating and exploration budgets accordingly.

Liquidity Risk

Liquidity risk is the risk the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business. Liquidity needs are monitored in various time bands, including 30-day, 180-day and 360-day lookout periods. As at October 31, 2015, the Company had $636 in cash. Currently, the Company does not have sufficient funds and will require financing to carry out an exploration and acquisition program, fund the property purchase obligations, and meet general and administration expenses for the next twelve months.

Commodity Risk

The value of the Company's exploration and evaluation assets are related to the price of gold and other mineral commodities, and the outlook for this mineral. Adverse changes in the price of gold can also significantly impair the economic viability of the Company's projects, along with the ability to obtain future financing.

The carrying value of the Company's financial instruments carried at amortized cost approximate fair value due to their short duration.

The Company has designated its cash at fair value through profit and loss. The government HST recoverable and due from parent company and company under common control are classified as loans and receivables whereby they are initially recognized at fair value and then subsequently carried at amortized cost. Investment in preferred shares of parent company is classified as available for sale assets. Accounts payables and accrued liabilities, due to related company and mineral property purchase price payable are classified as other financial liabilities whereby they are initially recognized at fair value and then measured at amortized cost.

The carrying values, which approximate fair values, of the Company's financial instruments are as follows:

As at		**Jan 31, 2016**		**July 31, 2015**
Financial Assets				
Fair value through profit and loss				
Cash	$	-	$	1,037
Loans and receivables				
HST Recoverable		3,920		2,644
Financial Liabilities				
Fair Value through profit and loss				
Bank indebtedness				
Other financial liabilities				
Accounts payables and accrued liabilities	$	62,773	$	52,738
Due to related company		57,802		46,887
Mineral property purchase price payable		700,000		700,000

Capital Management

The Company considers its capital to be comprised of shareholders' deficiency. As at October 31, 2015 the Company's capital resources amounted to, a shareholders' deficiency of $803,938 (July 31, 2015 - $795,944). The Company manages its capital structure and makes adjustments to it in light of the changes in economic conditions and the risk characteristics of its underlying assets and the funds available to the Company, in order to support the acquisition, exploration and development of E&E and to ensure it continues as a going concern. In order to maintain or adjust the capital structure, the Company may issue new shares and acquire or sell mining properties to improve its financial performance and flexibility. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of management to sustain future development of the Company.

To effectively manage the Company's capital requirements, the Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has appropriate liquidity to meet its operating and growth objectives. As needed, the Company raises funds through private placements or other equity financings. The Company does not utilize long term debt as the Company does not currently generate operating revenues. There is no dividend policy.

There has been significant market turbulence worldwide due to the credit crisis and potential of a global recession. Theses market conditions have, and are expected to continue to have, an adverse impact on the ability to secure equity funding. The Company is required to rely on equity financing to raise capital, but its ability to do may be impacted by the current global situation and economic uncertainties. Management has considered how these conditions have impacted the Company's viability given its current capital structure and considers that until the outcome of future financing activities is known there is considerable uncertainty about the appropriateness of the use of the going concern basis of accounting.

Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable considering the nature and relative size of the Company. The Company is not subject to externally imposed capital requirements.

Risks and Uncertainties

The Company's principal activity is mineral exploration and development Companies in this industry are subject to many and varied kinds of risk, including but not limited to, environmental, metal prices, political and economic. The mineral exploration business is risky and most exploration projects will not become mines. The Company may offer an opportunity to a mining company to acquire an interest in a property in return for funding all or part of the exploration and development of the property. For the funding of property acquisitions and exploration that the Company conducts, the Company depends on the issue of shares from the treasury to investors. These stock issues depend on numerous factors including a positive mineral exploration environment, positive stock market conditions, a company's track record and the experience of management The Company has no significant source of operating cash flow and no revenues from operations. The Company has not yet determined whether its mineral property contains mineral reserves that are economically recoverable. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish reserves. There is no guarantee that the Company will be able to contribute or obtain all necessary resources and funds for the exploration and exploitation of its permits, and may fail to meet its exploration commitments. Mineral exploration involves a high degree of risk and few properties, that are explored, are ultimately developed into producing mines. Exploration of the Company's mineral property may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations. The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matter.

Conflicts of Interest

Certain of the directors and officers of the Company may also serve as directors and officers of other companies involved in gold and precious metal or other natural resource exploration and development and consequently the possibility of conflict exists. Any decisions made by such directors or officers involving the Company will be made in accordance with the duties and obligations of directors and officers to deal fairly and in good faith with the Company and such other companies. In addition, such directors declare their interest and refrain from voting on any matters in which such directors may have a conflict of interest.

Management's Responsibility for Financial Statements

The information provided in this report is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the audited consolidated financial statements.

Trends

Trends in the industry can materially affect how well any junior exploration company is performing. The price of precious metals remains high and as a result worldwide exploration is being maintained. Company management believes that the general trend will continue and that prices will be higher over time.

Outlook

The outlook for precious metals continues to be volatile with a recent retracement in the price of certain precious metals. Should the short term retracement continue, it could eventually have an adverse effect upon the Elmtree gold property owned by CNRP.

Cautionary Statement

This document contains "forward-looking statements" within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration plans and our other future plans and objectives are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, (i) estimates of exploration investment and scope of exploration programs, and (ii) estimates of stock-based compensation expense. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statement Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date of statements are made, and the Company endeavours to update corporate information and material facts on a timely basis. Forward-looking statements are subject to risks, uncertainties and other actors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks.

Other

Additional information relating to the Company's operations and activities can be found by visiting the Company's website at www.CNRPMining.com and on SEDAR at www.sedar.com.