CNRP
MINING INC.

MANAGEMENT DISCUSSION & ANALYSIS

FOR THE YEAR ENDED JULY 31, 2017

(Prepared by Management on November 28, 2017)

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A) TO ACCOMPANY THE AUDITED FINANCIAL STATEMENTS OF CNRP MINING INC (THE "COMPANY" OR "CNRP") FOR THE YEAR ENDED JULY 31, 2017.

This management Discussion and Analysis is dated November 28, 2017

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, 2017 which was prepared in accordance with International Financial Reporting Standards ("IFRS") and the notes thereto. 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

CNRP Mining ("CNRP") is a Vancouver 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". On January 29, 2016, the balance of the Winston shareholding in CNRP was distributed to Winston shareholders, and Winston no longer has any interest in CNRP.

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 further exploration work on the property is subject to funding.

The Elmtree Property is located in the Bathurst Mining Camp approximately 25 km northwest of Bathurst, New Brunswick and originally comprised a total of 83 claims. In December of 2016, the former management of CNRP allowed 67 claims to lapse, and the Elmtree Property now comprises 16 claims.

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 .

Winston spin-off of CNRP

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. On January 29, 2016, the balance of the shareholding owned by Winston in CNRP was distributed to the shareholders of Winston, and Winston no longer has any interest in CNRP.

COMPANY HIGHLIGHTS

During the year ended July 31, 2017 and subsequent:

- On February 17, 2017, the Company has appointed Randy Clifford as director and CEO, Eugene Beukman as director, and Nishal Kumar as director. Daniel Wettreich has retired as a director and CEO, Mark Wettreich has retired as a director and Corporate Secretary, and Peter Wanner, Paul Cullingham and David Lonsdale have retired as directors.

- On May 2, 2017, further to the Company's news release dated April 26, 2017, the Company consolidated its issued and outstanding share capital on a one new common share for each ten old common shares basis. As a result of the Consolidation, the 14,050,000 common shares issued and outstanding has been reduced to approximately 1,405,000 common shares.

- On June 13, 2017, the Company closed a non-brokered private placement by issuing 9,012,500 units at a price of $0.115 per unit for gross proceeds of $1,036,437.50. Each unit was comprised of one common share in the capital of the Company and three-quarters of one transferable common share purchase warrant at a price of $0.15 until June 13, 2018.

- On July 14, 2017, the Company closed a non-broker private placement offering by issuing 3,000,000 shares at a price of $0.20 per share for gross proceeds of $600,000.

- On September 14, 2017, the Company announced that it had appointed Mr. Sothi Thillairajah to the Board of Directors and that Mr. Eugene Beukman resigned from his position as a director.

- On September 26, 2017, the Company closed a non-brokered private placement by issuing 10,000,000 shares at a price of $0.30 per share for gross proceeds of $3,000,00. The Company has paid eligible finders a cash commission in the aggregate amount of $86,631.96 being 8% of the gross proceeds from the sale of Shares to purchasers introduced by the finders, as well as issued an aggregate of 288,773 finders' warrants. In addition, subscribers of the June and July 2017 share offerings, to meet the requirements of the Canadian Securities Exchange (the "CSE"), amended the terms of the June and July 2017 private placement offering by adjusting the issue price of (i) the shares issued under the June offering from $0.115 per unit to $0.30 per unit, (ii) the warrants issued under the June offering from $0.15 per warrant share to $0.30 per warrant share, and (iii) the shares issued under the July offering from $0.20 per share to $0.30 per share. All the other terms of the June and July 2017 offering remain unchanged.

- On October 25, 2017, the Company announced it has entered into a share exchange agreement dated October 24, 2017 to acquire all of the issued and outstanding shares of 1127466 B.C. Ltd. which holds, through a wholly owned subsidiary, a world-wide, exclusive license for X-SPRAYS – a brand of state-of-the-art life-enhancement products administered via an optimal oral spray delivery system. Pursuant to the terms of the Definitive Agreement, the Company will, upon closing of the Transaction, issue to X-SPRAYS shareholders an aggregate of 16,500,000 common shares in the capital of the Company at a deemed price of CAD$0.30 per Payment Share. Additionally, up to 28,000,000 CNRP shares will be issuable upon certain commercial milestones being achieved by X-SPRAYS.

MINERAL PROPERTIES

Elmtree Gold Project

The Elmtree Property is located in the Bathurst Mining Camp approximately 25 km northwest of Bathurst, New Brunswick and originally comprised a total of 83 claims. In December of 2016, the former management of CNRP allowed 67 claims to lapse, and the Elmtree Property now comprises 16 claims.

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 July 31, 2017	$NIL

During the year ended July 31, 2016, 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 audited financial statements of the Company for the year ended July 31, 2017 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 July 31, 2017, the Company has yet to generate revenues from operations and had a deficit of $10,013,265 (July 31, 2016 - $9,904,379). 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 year ended July 31, 2017 the Company incurred a net loss and comprehensive loss of $108,886 (2016 – $36,060). This loss is mainly comprised of filing and listing fees of $27,457 (2016-$9,445) office general and administrative expenses of $9,735 (2016-$5,660); severance fees to former management of $20,000(2016-$Nil) and legal and professional fees of $23,030 (2016-$10,908).

For the year ended July 31, 2017 the Company's net cash used in operating activities was $124,427 (2016 –$33,788); the net cash used in investing activities $250,715 (2016 - $nil) the net cash provided by financing activities $1,781,619 (2016 - $32,190) and net change in cash was $1,406,477 (2016 – -$1,598).

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

SELECTED FINANCIAL INFORMATION

The following table sets forth selected audited financial information of the Company from the last three completed financial years in Canadian dollars:

Summary of Results	July 31, 2017	July 31, 2016	July 31, 2015
Net Loss	$108,886	$36,060	$6,300,771
Interest in Mineral Properties	$NIL	$NIL	$NIL
Current Assets	$1,659,954	$3,604	$3,681
Total Assets	$1,659,954	$3,604	$3,681
Total Liabilities	$908,156	$835,608	$799,625
Shareholders' (Deficiency) Equity	$751,798	$(832,004)	$(795,944)

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:

Summary of Results	31-Jul-17	30-Apr-17	31-Jan-17	31-Oct-16
Net Loss	108,886	42,425	4,616	7,319
Interest in Mineral Properties	$NIL	$NIL	$NIL	$NIL
Current Assets	1,659,954	2,551	2,416	2,196
Total Assets	1,659,954	2,551	3,681	2,196
Total Liabilities	908,156	888,915	846,355	841,519
Shareholders' (Deficiency) Equity	751,798	(886,364)	(843,939)	(8,839,323)

Summary of Results	31-Jul-16	30-Apr-16	31-Jan-16	31-Oct-15
Net Loss	36,060	7,620	12,748	7,994
Interest in Mineral Properties	$NIL	$NIL	$NIL	$NIL
Current Assets	3,604	3,534	3,920	2,306
Total Assets	3,604	3,534	3,920	2,306
Total Liabilities	835,608	827,840	820,606	806,244
Shareholders' (Deficiency) Equity	(832,004)	(824,306)	(816,686)	(803,938)

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 would need to raise additional equity capital in order to pursue other investment opportunities or to support special projects.

- Cash balance increased to $1,405,916 (2016 - -$561) primarily due to the Company being able to successfully raise funds through private placements

- The company provided a working capital loan of $250,715 (2016 - $Nil) to a non-related party in connection with the Purchase and Sale agreement with 1127466 B.C. Ltd.

- Share Capital increased to $9,433,967 (2016 - $8,441,550) from the completion of private placements

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, or by pursing other investment opportunities. The Company's primary capital assets as at July 31, 2017 are cash and government HST recoverable and exploration and evaluation assets.

The following is a summary of the Company's outstanding share, warrant and stock options data as of July 31, 2017.

Common Shares

On July 31, 2017, the Company had issued and outstanding 13,792,500 common shares.

Stock Options

At July 31, 2017, the Company has no stock options issued and outstanding.

Warrants

At July 31, 2017, the Company has 6,759,375 warrants and brokers’ warrants outstanding.

Outlook and Capital Requirements

The Company made interest payments to third parties relating to the acquisition of the Elmtree property. 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, and to develop its Elmtree property. 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

As of July 31, 2017, the due to related parties is $18,008 (July 31, 2016 - $79,077). This amount consists of amount due to Danny Wettreich, a former director of the Company, for $13,488 (July 31, 2016 - $53,349), an amount of $nil (July 31, 2016 - $25,728) due to a company controlled by the former director and amount of $4,520 (July 31, 2016 -$nil) due to another director of the Company. These amounts were made to provide working capital and are noninterest bearing and without fixed terms of repayment.

During the year ended July 31, 2017, the Company incurred transfer agent fees of $6,791 (July 31, 2016 $4,230) of this amount $1,319 was paid to Reliable Stock Transfer Inc., ("Reliable") a company owned by a former director of the Company, Daniel Wettreich, for the provision of share transfer services. As at July 31, 2017 an amount of $nil (July 31, 2016 - $5,878) was payable to Reliable and has been included in the amounts payable and other liabilities.

During the year ended July 31, 2017, the Company incurred rent expense of $9,000 (July 31, 2016 - $Nil) payable to a company owned by the spouse of the CEO of CNRP.

Key management compensation

During the year the Company incurred management fees of $40,499 (2016 - $Nil) for the provision of management services. As at July 31, 2017, an amount of $31,500 (July 31, 2016 - $Nil) was owed to a company owned by the spouse of the CEO of CNRP.

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 are 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 of 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

Fair value through profit or loss (FVTPL)

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 July 31, 2017, the Company had $1,405,916 in cash.

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 July 31,	2017	2016
Financial Assets		
*F*VTPL		
Cash	$1,405,916	$-
Loans and receivables		
Government HST Recoverable	3,323	3,604
Loan Receivable	250,715	-
Financial Liabilities		
*F*VTPL		
Bank indebtedness	$-	$561
Other financial liabilities		
Amounts payable and other liabilities	40,148	55,970
Due to related parties	18,008	79,077
Loan payable	150,000	-
Mineral property purchase price payable	700,000	700,000

Capital Management

The Company considers its capital to be comprised of shareholders' equity (deficiency). As at July 31, 2017 the Company's capital resources amounted to, a shareholders' equity (deficiency) of $751,798 (2016 – ($832,004)). 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 gold remains range bound and Company management believes that this general trend will continue but 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.