

Fox River Resources Corporation

Management's Discussion and Analysis

For the period from November 12, 2015 to January 31, 2016

This Management's Discussion and Analysis ("MD&A") of Fox River Resources Corporation ("Fox River" or the "Company") is dated March 29, 2016 and provides an analysis of the Company's performance and financial condition for the period ended January 31, 2016, as well as an analysis of future prospects. This MD&A should be read in conjunction with the Company's unaudited condensed interim financial statements and related notes for the period ended January 31, 2016 (the "January 31, 2016 Financial Statements"), which are prepared in accordance with International Financial Reporting Standards ("IFRS"). These documents, along with others published by the Company, are available on the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com.

All amounts referred to in this MD&A are prepared in accordance with IFRS and presented in Canadian dollars, unless otherwise indicated.

Company Information

Fox River Resources Corporation was incorporated pursuant to the Canada Business Corporations Act under the name "9508309 Canada Inc." on November 12, 2015. Articles of amendment were subsequently filed on December 7, 2015 to change the name of the Company to "Fox River Resources Corporation". The registered office of the Company is located at 350 Bay Street, Suite 700, Toronto, Ontario M5H 2S6.

On November 30, 2015 PhosCan Chemical Corp. ("PhosCan") announced an arrangement (the "Arrangement") contemplated by an arrangement agreement (the "Arrangement Agreement") entered into among PhosCan, Petrus Resources Ltd. ("Petrus"), Petrus Acquisition Corp. ("New Petrus") and 9508309 Canada Inc., subsequently renamed Fox River Resources Corporation, a wholly-owned subsidiary of PhosCan.

In accordance with the Arrangement, Fox River was created to hold:

- (i) PhosCan's Martison phosphate project;
- (ii) a 71.6 acre parcel of land located in the City of Brandon, Manitoba; and
- (iii) all of PhosCan's other assets, with the exception of \$45.4 million of cash and cash equivalents and short term investments, and all of PhosCan's liabilities, including PhosCan's obligations to pay to those shareholders of PhosCan who had dissented in respect of the Arrangement the fair value of their PhosCan shares.

As at January 31, 2016 the sole shareholder was PhosCan. On February 2, 2016 the Arrangement closed and as consideration Fox River issued to PhosCan an aggregate of 33,947,277 common shares in the Company, which shares were distributed pursuant to the Arrangement to PhosCan shareholders, on the basis of one Fox River common share for each four PhosCan common shares outstanding immediately prior to the Arrangement becoming effective.

Pursuant to the Arrangement the Company assumed all of PhosCan's liabilities and obligations existing as of the effective time of the Arrangement, including PhosCan's obligations to pay to those shareholders of PhosCan who had dissented in respect of the Arrangement ("Dissenting PhosCan Shareholders") the fair value of their PhosCan shares. During February the Board of Directors made a determination of the fair value of the PhosCan shares, and extended offers to pay such fair value to all Dissenting PhosCan Shareholders. As of the date of this MD&A, such offers to pay have been accepted and paid to all but one of the Dissenting PhosCan Shareholders.

Overview

Fox River is engaged in the exploration and evaluation of the Martison phosphate project. As at the date of this MD&A, the Company's primary assets are cash and cash equivalents, a 71.6 acre parcel of land in the City of Brandon, MB and a 100% interest in the Martison phosphate project.

The Company's strategy will be to create shareholder value through the further exploration and evaluation of the Martison Project, either by itself or in conjunction with a strategic partner, and through the potential acquisition, exploration, advancement and development of other mineral properties.

Overall Performance

There are no comparable periods to discuss overall performance. The Company was incorporated on November 12th, 2015.

Liquidity and Financial Position

As at January 31, 2016 and prior to the Arrangement, Fox River was funded, through advances from related parties, with cash in an amount equal to \$200,000 and marketable securities with a fair value of \$64,000. On February 2, 2016, the Arrangement closed and the distribution to Fox River, as previously described, was completed. The carrying value of assets acquired and liabilities assumed were as follows:

Cash	\$6,088,655
Accounts Receivable	130,816
Marketable Securities	64,000
Land	508,195
Assets Acquired	6,791,666
Accounts Payable and Accrued Liabilities	5,705,353
Net Assets Acquired	\$1,086,313

Following the closing of the Arrangement on February 2, 2016, Fox River had \$578,118 in working capital. Management expects that these funds will be sufficient to support operations and general and administrative costs for at least the next 12 months.

The Company has no debt.

Share Capital

During the period ended January 31, 2016, 1 common share of the Company was issued.

As at March 29, 2016, the Company's share capital consisted of:

Common shares outstanding:	33,947,277
Stock options outstanding:	nil

Martison Phosphate Project

The Martison phosphate project (the "Project") is located about 70 kilometers northeast of the town of Hearst, in north-central Ontario and is close to rail, power, highway, and other infrastructure. The Project contains a major carbonatite (igneous carbonate-rich) pipe capped by a residual deposit (residuum) enriched in phosphate and niobium minerals. The Project mining leases and claims cover a contiguous area of approximately 8,256 ha.

Regional Geology

The Martison phosphate deposit lies in a geological province referred to as Precambrian volcanic and metamorphic rock sequences, which are over one billion years in age. The occurrence of carbonatite deposits is the result of late magmatic injections of carbon dioxide gases, calcium and magnesium carbonate solutions, including associated crystalline apatite, magnetite and mica minerals, through conduits into volcanic vents. The subsequent exposure of the carbonatite rock for long periods of time to erosion and chemical weathering has resulted in the thick accumulation of a palaeo-soil residue called a "residuum" which has concentrations of relatively insoluble minerals such as phosphate bearing apatite, lying on top of the competent and largely unweathered surface of the carbonatite.

The Martison carbonatite is one of 50 known locations of the Central Ontario Carbonatite Complex found on the Kapuskasing structural high (located 110 km east of the Martison Project) to the Albany Forks structural high, (located 260 km west of the Martison Project). Almost all of the carbonatite bodies occur along recognisable major tectonic features.

A number of complexes have been examined for their mineral potential. They all contain apatite in the carbonatite phase between 5% to 25%, and some contain significant enrichments of apatite through leaching out of carbonates. Such enrichment occurs on the Cargill Limited complex, located on a branch structure off the Kapuskasing structural high and at the Martison phosphate deposit.

Property Geology

Differential weathering of the Martison Carbonatite Complex has resulted in an irregular weathered 'karst' type surface of carbonatite, the depth of which varies greatly over short distances. Depressions in this carbonate rich surface are filled with the weathered breakdown product of the carbonatite, the 'Residuum'. This apatite rich Residuum represents the bulk of the phosphatic material of economic interest. Above the residuum lies a less consistent layer of lateritic material containing niobium mineralisation also at levels of economic interest. More recent glacial deposits, typical of the James Bay Lowlands, form a blanket of glacial till over the residuum / laterite sub-outcrop reaching up to 80 m in depth.

Mineralization

Apatite is the principal phosphate bearing mineral of economic interest within the residuum. The laterite is enriched in niobium, typically found in the form of pyrochlore, its occurrence is also of economic interest. Both the phosphate and the niobium have been the subject of significant drilling and metallurgical test work to establish if they may be extracted economically.

Outlook, Risks and Uncertainties

There are a number of risks that may have a material and adverse impact on the future operating and financial performance of Fox River and could cause Fox River's operating and financial performance to differ materially from the estimates described in forward looking statements related to Fox River. These include widespread risks associated with any form of business and specific risks associated with Fox River's business and its involvement in the mineral exploration and development industry. An investment in the Fox River Shares, as well as Fox River's prospects, are highly speculative due to the high risk nature of its business and the present stage of its operations. Fox River Shareholders may lose their entire investment. The risks described below are not the only ones facing Fox River. Additional risks not currently known to Fox River, or that Fox River currently deems immaterial, may also impair Fox River's business or operations. If any of the following risks actually occur, Fox River's business, financial condition, operating results and prospects could be adversely affected.

Martison Phosphate Project

The Company believes it is prudent to continue to preserve its cash until it has reasonable confidence that it can secure suitable financing to proceed with the exploration and evaluation of the Project and develop it to commercial production. However, there can be no assurance that the Company will proceed with exploration, evaluation and development of the Project, that the Company will be able to obtain adequate debt and equity financing to explore, evaluate and develop the Project, or that the terms of such financing will be favourable. Failure to obtain additional financing could result in the delay or indefinite postponement of further advancement of the Project.

No History of Profitability

The Company is an exploration and evaluation stage company with no history of revenues or profitability. There can be no assurance that the operations of Fox River will be profitable in the future. The Company will require additional financing to further explore, develop, acquire, and achieve commercial production on its property interests and, if financing is unavailable for any reason, Fox River may become unable to acquire and retain its property interests and carry out its business plan.

Nature of Mineral Exploration and Development

Fox River is engaged in the business of exploring and evaluating the Martison Project, which is a highly speculative endeavour. Fox River's viability and potential success lie in its ability to explore and evaluate, develop, exploit and generate revenue out of the Martison Project. The exploration and evaluation and development of mineral deposits involve significant financial risks over a significant period of time which even a combination of careful analyses, experience and knowledge may not eliminate. While discovery of a mine may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major

expenses may be required to establish reserves by drilling and to construct mining and processing facilities at a site. It is impossible to ensure that the current or any future programs on the Martison Project will result in a profitable commercial mining operation.

Fluctuating Prices

Factors beyond the control of Fox River may affect the marketability of any products produced. The prices for phosphate concentrate, phosphoric acid and phosphate fertilizers have fluctuated widely and are affected by numerous factors beyond Fox River's control. The effect of these factors cannot be accurately predicted.

Competition

The chemical and fertilizer business is competitive in all of its phases. Fox River competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources than Fox River, in the development of the Martison Project, and in the search for markets for any products which may be produced. There is no assurance that Fox River will continue to be able to compete successfully with its competitors in developing the Martison Project or finding markets for the products which may be produced.

Indemnified Liability Risk

Pursuant to the Arrangement Agreement, Fox River has covenanted and agreed that, following the completion of the Arrangement, it will indemnify PhosCan, Petrus, New Petrus and their subsidiaries, affiliates, directors, officers, partners, employees, advisors, shareholders and agents (each an "Indemnified Party") from any and all direct or indirect liabilities, claims, demands, taxes, losses, costs, damages, penalties and expenses (including legal fees and expenses but excluding loss of profits and consequential damages) to which an Indemnified Party may be subject or may suffer, whether under the provisions of any court action, statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of the certain items.

Fox River will remain liable under this indemnity for five years following the completion of the Arrangement. Because of Fox River's limited financial resources, any requirement to indemnify under these provisions could have a material adverse effect on the ability of Fox River to carry out its business plan.

Conflicts of Interest

Certain of the directors and officers of Fox River also serve as directors and/or officers of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers involving Fox River should be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of Fox River and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in the CBCA and other applicable laws.

Related Party Transactions

Through the normal course of business, the following related party transactions occurred during the period ended January 31, 2016:

- The Company was advanced \$200,000 in cash by Baltic Resources Inc., a company that is a wholly-owned subsidiary of PhosCan Chemical Corporation, who as at January 31, 2016 was Fox River's sole shareholder.
- The Company was advanced marketable securities with a fair value as at January 31, 2016 of \$64,000 by PhosCan Chemical Corporation, the Company's sole shareholder.

Financial Instruments

As at January 31, 2016, Fox River's financial instruments primarily consisted of Canadian dollar-denominated cash. As at January 31, 2016, the Company held for investment purposes marketable securities in the form of common shares of a publicly-listed company. The Company's marketable securities, which consist of investments in the common equity shares of a publicly-traded company, are subject to fair value fluctuations which are dependent on the price of the common shares as quoted on a stock exchange.

As of the date of this MD&A, Fox River's financial instruments primarily consisted of cash and Canadian dollar-denominated short-term fixed-income instruments such as GICs and high-interest savings accounts. Subsequent to January 31, 2016 the Company's marketable securities were sold for net proceeds of \$74,769.

Due to the short-term nature and high liquidity of the fixed-income instruments, the Company estimates that the fair values are equal to their carrying values and classifies these financial instruments as cash and cash equivalents within current assets.

The material risks associated with the Company's financial instruments are counterparty and equity price.

Counterparty Risk

The Company manages its counterparty risk by monitoring the credit worthiness of its Canadian financial institution counterparts to ensure they meet the minimum investment-grade criteria.

Equity Price Risk

The Company's investment of \$64,000 in the common equity shares of a publicly-traded company is subject to fair value fluctuations. As at January 31, 2016, if the fair value of the Company's marketable securities had decreased/increased by 50% with all other variables held constant, comprehensive loss for the period ended January 31, 2016, would have been approximately \$32,000 higher/lower. Similarly, as at January 31, 2016, shareholders' equity would have been approximately \$32,000 lower/higher as a result of a 50% decrease/increase in the fair value of the Company's marketable securities.

Off-Balance Sheet Transactions

The Company has not entered into any off-balance sheet arrangements.

Proposed Transactions

The Company is not a party to any proposed transactions as at the date of this MD&A.

Critical Accounting Estimates

The preparation of condensed interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

The areas involving accounting estimates for the Company are as follows: valuation of marketable securities.

Future Accounting Changes

IFRS 9 *Financial Instruments* is described in the Company's unaudited condensed interim financial statements and related notes for the period ended January 31, 2016.

Disclosure Controls and Internal Controls Over Financial Reporting

The Company's management is responsible for the preparation and fair presentation of the consolidated financial statements and MD&A. Accordingly, the Company's management has established systems, controls and procedures to collect, record, process, summarise and report necessary financial data in its financial statements and MD&A on a timely basis.

The Company's Chief Executive Officer and Chief Financial Officer (the "Officers") are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"). The Officers have:

- Designed DC&P, or caused it to be designed under their supervision, to provide reasonable assurance that material information relating to the Company is made known and information required to be disclosed in its consolidated financial statements and MD&A are filed under securities legislation and recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- Designed ICFR, or caused it to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The Officers evaluate the Company's internal controls on a regular basis.

Forward-looking Statements

This MD&A contains "forward-looking information" which may include, but is not limited to, statements with respect to the future financial or operating performances of Fox River; the Project; the future supply, demand, inventory, production and price of phosphate and other commodities; the estimation of mineral reserves and resources; the realization of mineral reserve estimates; the timing and amount of estimated future production, costs of production, capital, operating and exploration expenditures; requirements for additional capital for the Project; government regulation, including permitting, of mining and chemical operations; environmental risks, reclamation and rehabilitation expenses; title disputes, claims and First Nations agreements; limitations of insurance coverage and the timing and possible outcome of litigation and regulatory matters; the ability to attract and retain personnel; labour relations; the ability to engage and retain outside contractors, experts and other advisors and their efforts and

abilities; and currency exchange rates, in particular the Canadian dollar relative to the U.S. dollar. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Fox River to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, those factors discussed in the section entitled "*Outlook, Risks and Uncertainties*" in this MD&A. Although Fox River has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this MD&A based on the opinions and estimates of management, and Fox River disclaims any obligation to update any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, potential investors should not place undue reliance on forward-looking statements.