

# PHOENIX METALS CORPORATION

## Management's Discussion & Analysis

For the Three Months Ended March 31, 2017 and 2016

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This management's discussion and analysis of Phoenix Metals Corp. (the "Company") contains analysis of the Company's operational and financial results for the three month period ended March 31, 2017 and 2016. The following should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2016 and the condensed consolidated financial statements for the three months ended March 31, 2017. All figures are in Canadian dollars unless otherwise stated.

### DATE OF REPORT

May 29, 2017

### JURISDICTION OF INCORPORATION AND CORPORATE NAME

The Company is engaged in the acquisition and exploration of mineral property interests in North America, and was federally incorporated in British Columbia on October 21, 1980. The Company is a reporting issuer listed on the TSX Venture Exchange under the symbol "PHC.H". The Company has one wholly owned subsidiary, AKA Ventures USA Inc. The Company's corporate head office is located at 14<sup>th</sup> Floor, 1040 West Georgia Street, Vancouver, B.C., V6E 4H8. Additional information relating to the Company is available on the Company's website at [www.phoenixcopper.com](http://www.phoenixcopper.com) or on SEDAR at [www.sedar.com](http://www.sedar.com).

### HIGHLIGHTS

On June 23, 2016, the Company announced it had entered into an agreement whereby it will acquire an option to purchase F4 Environmental Solutions Ltd. ("F4") from its parent company F4 Environmental Inc. ("the Vendor"). F4 has acquired from the its parent company a perpetual exclusive worldwide licence to use, license and exploit certain systems, formulas and processes for the remediation of petroleum hydrocarbon contamination. The technology licence ("technology") exclusivity is subject to a third-party licence covering Alberta and Northern British Columbia, but which is in the process of being terminated by the parent company.

On February 14, 2017, the Company modified the terms of the agreement. The Company will now pay:

- i) \$750,000 ("First Payment") at closing;
- ii) \$750,000 no later than six (6) months following the closing date ("Second Payment");
- iii) issue eight (8) million shares of the Company to the Vendor at a deemed price of \$0.20 per common share;
- iv) at the time of the First Payment and share issuance to the Vendor, the Company will advance \$1-million ("Initial Investment") to F4 to be used for operations.
- v) at closing, the Vendor shall assign all service contracts and sell all related equipment to use the Technology for a sum of \$165,000 which will be paid from the Initial Investment ("Vendor Payment").

Upon all the above having taken place, F4 will be owned by the Company. At that point in time, the Company will have an option to purchase the Vendor for \$1.00. If the Company does not exercise the option, F4 it will still hold the worldwide perpetual rights to the Technology.

On the second anniversary of the First Payment, F4 will commence four annual royalty payments of \$250,000 pursuant to the Technology to the Vendor.

### F4 and the technology

Founded in 2010, F4 focused on early research and development activities into the formulation of high-performance, cost-effective industrial degreasers that respect the health and safety of the user. Key discoveries in both the realm of chemistry and biologics led to the development of Bio-Reclaim. Bio-Reclaim contains highly purified, naturally occurring bacteria with demonstrated ability to mineralize petroleum hydrocarbons and toxic organics to carbon dioxide and water. It also contains dynamic surfactant chemistry to aid in delivery of the biologics to difficult pockets of contamination in soils. The development of Bio-Reclaim now allows forward-thinking organizations to completely eliminate environmental and

# PHOENIX METALS CORPORATION

## Management's Discussion & Analysis

For the Three Months Ended March 31, 2017 and 2016

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financial liabilities associated with contaminated sites. This is different from landfills which only delay potential liability and future expense.

As stewards of the environment, F4 is dedicated to providing pro-active solutions to aid in the removal of hydrocarbon contaminants from waste streams with some of the most efficient, environmentally safe and cost-effective methods available.

Some of F4's products and services include on-site remediation of contaminated soil and water through the use of innovative biologics and chemistry.

A few of the applications F4's products and services are used for include: oil spills/leaks (land and/or water), pipeline breaks, groundwater, abandoned oil well sites, bulk fuel station sites, underground storage tank leaks, commercial and private property remediation, and heavy equipment/fleet/automotive maintenance facilities.

F4 is able to complete a one-time application of the product on site, thereby eliminating the need to reapply, manipulate or transport the contaminated soil off site for disposal and replacement with clean soil. The fact that F4 is able to safely and efficiently clean the soil on site in such a short time period enables F4 to offer substantial cost savings to the landowner and the lowest "carbon footprint" in the industry, while also eliminating the liability of the contaminated soil.

The technology is endorsed by Environment Canada and fully accredited with the United States Environmental Protection Agency.

F4 has been duly incorporated in the province of Alberta. The parent company is wholly owned by Mr. Rudolph, of Alberta.

### COB and post-closing matters

A nominee of the vendor and a nominee of the company will be the directors of F4 after the first payment, with the vendor's nominee assuming the position of chairman with a casting vote. Once the second payment is made, the company's nominee will assume the position of chairman with the casting vote.

Mr. Rudolph will become a director of the company and will enter into a consulting agreement with the company for a term of five years. Mr. Rudolph has had a lengthy career establishing various businesses that have used bio-remedial solutions to address cleaning and decontamination problems, including the use of bio-remediation in soil remediation. Going forward, all additional technologies and inventions developed by Mr. Rudolph will be developed pursuant to his consulting agreement or in AlbertaCo, 80 per cent of the shares of which the company has the right to acquire pursuant to the AlbertaCo option.

Brian Leeners, currently the chief executive officer of the Company, will continue as a director and CEO of the resulting issuer after the change of business. Mr. Leeners received both his BComm and LLB degrees from the University of British Columbia in 1992, and since that time, has been focused on the management of private and public venture companies. In 2002, he founded Nexvu Capital Corp., which is a venture capital firm focused on developing companies in the industrial and technology sectors. Mr. Leeners has been directly responsible for over \$50-million in financings.

The Company was formerly in the mineral exploration and development business for the last approximately eight years, and previous to that, was involved in oil and gas exploration.

In accordance with exchange policy on COBs, the company advises that there is no significant financial information available regarding the proposed acquisition of F4, there are no non-arm's-length parties involved in the proposed transactions, there are no significant conditions required to complete the COB other than completing the financing referred to below and the company does not anticipate that a sponsor will be required.

The acquisition is subject to due diligence, any required third party consents, non-competition covenants on behalf of F4 personnel and approval of the TSX-V. Although the LOI creates binding legal obligations, the parties to the transactions outlined will be working toward a definitive agreement to supersede the LOI.

# PHOENIX METALS CORPORATION

## Management's Discussion & Analysis

For the Three Months Ended March 31, 2017 and 2016

### Private placement financing

In conjunction with this transaction, the Company has announced a non-brokered private placement financing of up to 15 million units at a price of 20 cents per unit to raise proceeds of up to \$3-million. Each unit will consist of one common share and one common share purchase warrant, with each warrant entitling the holder to acquire one additional common share at a price of 50 cents per share for 12 months from closing. The warrants will be subject to the right of the company to accelerate the exercise of the warrants if the shares of the company trade at or above 75 cents for a period of 10 consecutive trading days.

### **OUTLOOK**

The forward outlook for the Company is strong. The investment climate for the venture sector is encouraging, with increasing interest from both accredited investors and investment firms for well planned and solid projects with a bright economic future. The Company expects the F4 transaction to be completed in the second quarter of 2017.

### **SUBSEQUENT EVENTS**

The Company received \$128,974 in private placement subscriptions subsequent to March 31, 2017.

In April 2017, the Company and the holder of the demand loan agreed to convert the balance outstanding of \$87,789 into units of the private placement.

### **MINERAL EXPLORATION PROJECTS**

None.

### **INVESTOR RELATIONS**

None.

### **SELECTED ANNUAL FINANCIAL INFORMATION**

The financial data presented below for the current and comparative periods was prepared in accordance with IFRS. The functional and reporting currencies of the parent and subsidiary have been determined to be the Canadian dollar.

#### **Results of Operations**

The following financial data are derived from our consolidated financial statements for the years ended December 31, 2016, 2015 and 2014:

	December 31, 2016	December 31, 2015	December 31, 2014
Expenses	\$ 677,316	\$ 543,410	\$ 462,291
Other income (expenses)	97,658	-	-
Net and comprehensive loss	(579,658)	(543,410)	(462,291)
Basic and diluted loss per share	(0.05)	(0.05)	(0.01)
Total current assets	330,683	8,813	34,064
Total assets	330,684	8,814	68,598
Total current liabilities	1,491,661	1,402,486	953,461
Total liabilities	1,491,661	1,402,486	953,461

The increase in expenses over an year to year basis from fiscal 2014 to 2016, is attributed to a substantial increase in business activity as the Company is engaged in the acquisition of hydrocarbon remediation technology (see Highlights for more details). The Company increase in expenses in 2016 was off-set by a gain upon settlement of debt. Current assets were much higher than fiscal 2015 and fiscal 2014, due to the private placement funds announced on June 22, 2016.

**PHOENIX METALS CORPORATION**  
**Management's Discussion & Analysis**

For the Three Months Ended March 31, 2017 and 2016

For the year ended December 31, 2016, the Company incurred consulting and management fees of \$510,499 (2015 - \$402,206), office and miscellaneous costs of \$11,882 (2015 - \$13,651), professional fees \$151,134 (2015 - \$7,731), transfer agent and filing fees of \$21,257 (2015 - \$23,932) and a foreign exchange gain of \$19,561 (2015 - loss of \$54,345). Expenses were off-set by a gain on settlement of debt of \$97,658 (2015 - \$nil).

**Summary of Quarterly Results**

Results for the eight most recent quarters are as follows:

	March 31, 2016	December 31, 2016	September 30, 2016	June 30, 2016
Expenses	\$ 275,651	\$ 338,417	\$ 124,723	\$ 141,340
Other income	(146)	(97,658)	-	-
Net loss	(275,505)	(240,759)	(124,723)	(141,340)
Comprehensive loss	(275,505)	(240,759)	(124,723)	(141,340)
Basic and diluted loss per share	(0.02)	(0.02)	(0.01)	(0.01)
Total current assets	105,296	330,683	18,371	8,494
Total assets	105,297	330,684	18,372	8,495
Total current liabilities	1,300,371	1,491,661	1,536,391	1,557,031
Total liabilities	1,300,371	1,491,661	1,536,391	1,557,031

**PHOENIX METALS CORPORATION**  
**Management's Discussion & Analysis**

For the Three Months Ended March 31, 2017 and 2016

	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015
Expenses	\$ 72,836	\$ 113,979	\$ 228,805	\$ 94,894
Other income	-	-	-	-
Net loss	(72,836)	(113,979)	(228,805)	(94,894)
Comprehensive loss	(72,836)	(113,979)	(228,805)	(94,894)
Basic and diluted loss per share	(0.05)	(0.00)	(0.01)	(0.00)
Total current assets	11,267	8,813	9,102	41,161
Total assets	11,268	8,814	46,234	78,293
Total current liabilities	1,467,776	1,402,486	1,262,401	1,125,153
Total liabilities	1,467,776	1,402,486	1,262,401	1,125,153

Expenses in quarters ended March 31, 2017 and December 31, 2016, reflect increased activity associated with fund raising and the hydrocarbon remediation technology acquisition, consisted mainly of legal and consulting costs. During the quarter ended March 31, 2016, the Company recorded a foreign exchange gain of \$31,593 which reduced the loss to \$72,836.

The increase in the loss for quarter ended September 30, 2015 is attributed to high transfer agent and filing fees, and a foreign exchange loss.

**LIQUIDITY AND CAPITAL RESOURCES**

	March 31, 2017	December 31, 2016
<b>Cash</b>	<b>\$ 61,795</b>	<b>\$ 283,356</b>
<b>Amounts receivable</b>	<b>42,301</b>	<b>46,127</b>
<b>Prepaid expenses</b>	<b>1,200</b>	<b>1,200</b>
<b>Exploration and evaluation assets</b>	<b>1</b>	<b>1</b>
<b>Current liabilities</b>	<b>1,300,371</b>	<b>1,491,661</b>
<b>Shareholders' deficiency</b>	<b>(1,195,074)</b>	<b>(1,160,977)</b>
<b>Working capital deficiency</b>	<b>(1,195,075)</b>	<b>(1,160,978)</b>

The Company has historically relied upon equity financings to satisfy its capital requirements and will continue to depend heavily upon the capital markets to finance its activities. There can be no assurance the Company will be able to obtain required financing in the future on terms acceptable to the Company. The Company anticipates it will need additional capital in the future to finance ongoing exploration of its properties, which will be derived from the exercise of stock options and warrants, and/or private placements. The Company may also seek short term loans from directors of the Company.

At March 31, 2017, the Company had cash of \$61,795 (December 31, 2016 - \$283,356) and negative working capital of \$1,195,075 (December 31, 2016 - \$1,491,661). The Company is in the process of raising funds to complete its acquisition. Significant working capital components include cash in current or interest bearing accounts, accounts payable, and demand loan payable.

Subsequent to March 31, 2017, the Company has received an additional \$128,974 in private placement funds. The holder of the demand loan agreed to convert the balance outstanding of \$87,789 into units of the private placement.

**PHOENIX METALS CORPORATION**  
**Management's Discussion & Analysis**

For the Three Months Ended March 31, 2017 and 2016

**Capital stock**

The Company's share capital consists of unlimited common voting shares, without par value.

On March 21, 2016, the consolidation of its common shares on a 4 to 1 basis became effective.

On June 22, 2016, the Company announced it had entered into an agreement to acquire certain hydrocarbon remediation technology in conjunction with a financing of up to \$3-million.

As at March 31, 2017 and the date of this report, the Company had 11,878,381 common shares issued and outstanding.

**Stock options**

The Company has adopted an incentive stock option plan under the rules of the TSX-V pursuant to which it is authorized to grant options, as amended, to executive officers, directors, employees and consultants.

As at March 31, 2017 and the date of this report, the Company had outstanding stock options enabling the holder to purchase 762,500 common shares of the Company.

A summary of changes in options outstanding during the period is as follows:

	Number of Options		Weighted average exercise price	Weighted average option life (years)
Balance, December 31, 2014	1,062,500	\$	0.92	1.24
Expired/forfeited	(143,750)		1.00	-
Balance, December 2015	918,750		0.92	1.24
Expired/forfeited	(156,250)		0.40	-
Balance, December 31, 2016 and March 31, 2017	762,500	\$	0.40	0.58

**Warrants**

There are no warrants issued and outstanding as at March 31, 2017 (December 31, 2016 – nil).

**USE OF PROCEEDS**

Proceeds received from the issuance of shares will be allocated toward general working, capital purposes and acquisitions.

**OFF-BALANCE SHEET ARRANGEMENTS**

The Company does not have off-balance sheet arrangements.

**RELATED PARTIES AND KEY MANAGEMENT COMPENSATION**

The Company entered into transactions with the following related parties:

Name	Relationship	Nature of Transaction	Fees for the Three Months ended		Balance payable at March 31, 2017	Balance payable at December 31, 2016
			March 31, 2017	2016		
Nexvu Services Inc.	Owned by Nexvu Capital Corporation, which Brian Leeners, Greg Pearson and	Rent and corporate services	\$ 30,000	\$ 30,000	\$ 150,111	\$ 339,925

**PHOENIX METALS CORPORATION**  
**Management's Discussion & Analysis**  
For the Three Months Ended March 31, 2017 and 2016

	Gordon Fretwell are shareholders						
Brian Leeners	Chief executive officer and director	Management services	<b>30,000</b>	30,000	<b>294,850</b>	307,450	
ISG Professional Services Inc.	Annie Storey, former chief financial officer, who is a shareholder	Accounting services	-	-	<b>141,225</b>	141,225	
Global Link Capital	Greg Pearson, director of the Company, is a shareholder	Management services	<b>30,000</b>	22,500	<b>189,625</b>	205,650	
Gordon J. Fretwell, Law Corporation	Gordon Fretwell is a shareholder of Nexvu Capital Corporation.	Legal services	<b>36,767</b>	-	<b>171,798</b>	151,309	
0733351 BC Ltd.	Owned by Nexvu Capital Corporation, which Brian Leeners, Greg Pearson and Gordon Fretwell are shareholders	Property option	-	-	<b>10,008</b>	10,089	
AE Financial Management Ltd.	Edward Low, chief financial officer, is a shareholder	Accounting services	<b>10,500</b>	3,500	<b>7,350</b>	7,350	
			<b>\$ 537,384</b>	<b>\$ 86,000</b>	<b>\$ 964,967</b>	<b>\$ 1,162,998</b>	

Balances owing are unsecured, non-interest bearing and have no specified terms of repayment.

The Company advanced Prime Meridian Resources Corp., a company with officers and directors in common, \$25,000 (2016 - \$25,000), the advance is interest-free and payable on demand.

Included in accounts payable and accrued liabilities, but not included in the table above, are advances from Nexvu Capital Corporation for \$46,577 (2016 - \$46,577). The advance is interest-free and payable on demand.

#### **SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The consolidated financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed consolidated interim financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Information about critical judgments and estimates in applying accounting policies that have most significant effect on the amounts recognized in the condensed consolidated interim financial statements are as follows:

- Determination of functional currency;
- Asset carrying values and impairment charges;

#### **NEW ACCOUNTING STANDARDS**

For information on the Company's accounting policies and new accounting pronouncements, please refer to our disclosure in our condensed consolidated financial statements for the three months ended March 31, 2017.

#### **CAPITAL MANAGEMENT AND FINANCIAL RISK FACTORS**

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition. 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 business.

# PHOENIX METALS CORPORATION

## Management's Discussion & Analysis

For the Three Months Ended March 31, 2017 and 2016

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In order to carry out the planned acquisition and pay for administrative costs, the Company will need to raise additional working capital.

Management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during period or during the period. Neither the Company nor its subsidiary is subject to externally imposed capital requirements.

Details of the Company's financial instruments, management's assessment of their related risks and details of management of those risks are as follows:

### **Financial risk management**

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's financial instruments consist of cash, GST receivable, reclamation bond, accounts payable and accrued liabilities, payable to related parties, and demand loan payable.

The Company maintains cash deposits with financial institutions, which, from time to time, may exceed federally insured limits. The Company has not experienced any losses and believes it is not exposed to any significant credit risk from cash.

### **Financial instrument risk exposure**

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes. The Company does not have any asset backed commercial paper.

### **Credit risk**

The Company's main exposure to credit risk relates to its cash. Cash balances are held in Canadian and US chartered banks. The Company determined that it has limited exposure to credit risk related to receivables since these amounts are not material.

### **Liquidity risk**

The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to settle obligations and liabilities when due.

### **Market risk**

The market risk exposure to which the Company is exposed is interest rate risk. The Company's bank account earns interest income at variable rates. The Company's future interest income is exposed to short-term rate fluctuations. This is not a significant risk to the Company.

### **Foreign exchange risk**

The Company's exposure to fluctuations in foreign exchange rates is limited.

### **OTHER RISK FACTORS**

The Company is engaged in the exploration and development of mineral properties. These activities involve a high degree of risk which, even with a combination of experience, knowledge and careful evaluation, may not be overcome. Consequently, no assurance can be given that commercial quantities of minerals will be successfully found or produced.

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many common risks to new and developing enterprises, including undercapitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a positive return on shareholders' investment.

# PHOENIX METALS CORPORATION

## Management's Discussion & Analysis

For the Three Months Ended March 31, 2017 and 2016

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The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects when required. Although the Company has been successful in the past in obtaining financing through the sale of equity securities and properties, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

The Company's property interests are located in undeveloped areas and the availability of infrastructure such as surface access, skilled labour, fuel and power at an economic cost, cannot be assured. These are integral requirements for exploration, development and production facilities on mineral properties. Power may need to be generated on site.

The mineral industry is intensely competitive in all its phases. The Company competes with many other mineral exploration companies who have greater financial resources and technical capacity. The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

The Company's exploration and development activities require permits and approvals from various government authorities, and are subject to extensive federal, state and local laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health and safety, mine safety and other matters. Such laws and regulations are subject to change, can become more stringent and compliance can therefore become more costly. In addition, the Company may be required to compensate those suffering loss or damage by reason of its activities. There can be no guarantee that the Company will be able to maintain or obtain all necessary licences, permits and approvals that may be required to explore and develop its properties, commence construction or operation of mining facilities.

The Company's activities are subject to extensive federal, state and local laws and regulations governing environmental protection and employee health and safety. Environmental legislation is evolving in a manner that is creating stricter standards, while enforcement, fines and penalties for non-compliance are also increasingly stringent. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. Further, any failure by the Company to comply fully with all applicable laws and regulations could have significant adverse effects on the Company, including the suspension or cessation of operations.

The acquisition of title to resource properties is a very detailed and time-consuming process. The Company holds its interest in certain of its properties through mining claims and concessions. Title to, and the area of, the mining claims may be disputed. There is no guarantee that such title will not be challenged or impaired. There may be challenges to the title of the properties in which the Company may have an interest, which, if successful, could result in the loss or reduction of the Company's interest in the properties.

The market price of securities of many companies, particularly exploration and development stage companies, experience wide fluctuations in price that are not necessarily related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that fluctuations in the Company's share price will not occur.

A number of the Company's directors and officers serve or may agree to serve as directors or officers of other companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of The Company may have a conflict of interest in negotiating and concluding terms respecting such participation. Further, certain of the directors and officers are involved in other copper exploration companies and other companies that are developing mines. As a result, conflicts of interest may arise and officers and directors cannot devote 100% of their time to the Company.

The Company has invested resources to document and analyze its system of internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

# PHOENIX METALS CORPORATION

## Management's Discussion & Analysis

For the Three Months Ended March 31, 2017 and 2016

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### LEGAL MATTERS

The Company is not currently, and has not at any time during our most recently completed fiscal year, been party to, nor has any of its properties been the subject of, any material legal proceedings or regulatory actions.

### INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management is responsible for the design of the Company's internal controls over financial reporting ("ICFR") as required by National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"). ICFR is intended to provide reasonable assurance regarding the preparation and presentation of financial statements for external purposes in accordance with applicable generally accepted accounting principles. Internal control systems, no matter how well designed, have inherent limitations.

Based on a review of its internal control procedures at the end of the period covered by this MD&A, management has determined that the Company's internal controls over financial reporting have been effective to provide reasonable assurance regarding the reliability of financing reporting and the preparation of financial statements for external purposes in accordance with IFRS. There were no changes in the Company's internal controls over financial reporting that occurred during the period that have materially affected, or are reasonably likely to affect, our internal control over financial reporting.

However, even those systems determine to be effective can provide only reasonable assurance with respect to financial statement and preparation. A control system, no matter how well conceived or operated can provide only reasonable, not absolute, assurance and are not expected to prevent all errors and fraud.

### ADDITIONAL INFORMATION

Additional information about the Company is available at the website of the System for Electronic Document Analysis and Retrieval ("SEDAR") at [www.sedar.com](http://www.sedar.com).

### APPROVAL

The board of directors has approved the disclosure contained in this MD&A.

### CAUTIONARY NOTES FORWARD-LOOKING STATEMENTS

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, information with respect to the Company's future business plans and strategy, exploration plans, and environmental protection requirements. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" (or "does not expect"), "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" (or "does not anticipate"), or "believes", and other similar words and phrases, or which states that certain actions, events, or results "may", "could", "might", or "will" occur. Forward-looking information is subject to known and unknown risks and uncertainties that may cause the actual results, or performance of the Company to be materially different from those expressed or implied by such forward-looking information. These risks and uncertainties include risk and uncertainties associated with the mining industry and the exploration and development of mineral projects, such as the uncertainty of exploration results, the volatility of commodity prices, potential changes in government regulation, the uncertainty of potential title claims against the Company's projects, and the uncertainty of predicting operating and capital costs. They also include risks and uncertainties that affect the business environment generally, such as international political or economic developments, changes in interest rates and the condition of financial markets, and changes in exchange rates.

Forward-looking information is based on assumptions and expectations which the Company considers to be reasonable, and which are based on management's experience and its perception of trends, current conditions, and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made. Although the Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on forward-looking information. The Company can give no assurance that forward-looking information, or the assumptions and expectations on which it is based, will prove to be correct. Phoenix Metals Corporation does not undertake to revise or update any forward-looking

**PHOENIX METALS CORPORATION**  
**Management's Discussion & Analysis**

For the Three Months Ended March 31, 2017 and 2016

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information, except in accordance with applicable laws. Readers should not place undue reliance on forward looking information.

**Contact**

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