THIS MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A") IS BEING FILED AS THE INTERIM FINANCIAL STATEMENTS WAS INVERTIBILITY FILED ON MAY 29, 2018 AS BOTH INTERIM FINANCIAL STATEMENTS AND MD&A.

AurCrest Gold Inc.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three months ended March 31, 2018

(Expressed in Canadian Dollars)

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of AurCrest Gold Inc. ("AurCrest" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the three months ended March 31, 2018. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion, dated May 29, 2018, should be read in conjunction with the Company's condensed consolidated interim financial statements for the three months ended March 31, 2018 and the audited annual consolidated financial statements for the years ended December 31, 2017 and 2016, together with the notes thereto. Results are reported in Canadian dollars and have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The Company trades on the TSX Venture Exchange under the symbol "AGO". Further information about the Company and its operations can be obtained from the offices of the Company or from www.sedar.com.

EXECUTIVE SUMMARY

AurCrest is an Ontario-based mineral exploration company focused on the acquisition, exploration and development of mineral resources. The Company holds several gold and base metal properties in Northern Ontario in the Birch-Uchi greenstone belt and Ring of Fire areas, with the Company's prime area of focus being the Richardson Lake gold exploration prospect in the Red Lake Mining District. The Company has actively engaged and involved local First Nations communities in advancing exploration projects to date, and will continue to develop indigenous inclusion and participation with the Company's exploration activities and corporate development.

The mission statement of the Company is as follows:

1) Create and maintain important relationships with the local indigenous peoples and to share the benefits the industry has to offer through employment and ownership in the Company's efforts;
2) Capitalize on the experience and technical abilities of the Company's management team to effectively explore for gold and associated metals deposits in Northwestern Ontario;
3) Source and employ the most advanced exploration technologies available;
4) Enter into strategic relationships and generate sufficient capital to maintain a continuously high level of exploration and development activity; and
5) Increase shareholder value by adhering to AurCrest's objectives.

The Richardson Lake area properties are the focus of exploration for the Company, representing a significant contiguous land holding in the Birch-Uchi belt, and internally referred to as the *Richardson Lake* and *Western Fold* prospects:

- *Richardson Lake* is a gold exploration prospect consisting of ten unpatented mineral claims totaling approximately 1,700 hectares. In late 2011 and into 2012 the Company completed eight drill holes for a total of 1,613 metres with a new gold discovery in hole RL-12-07. The Company completed an airborne magnetic survey of the property in July 2014, identifying a second target formation on the property. In late summer through fall 2014, the Company completed four drill holes for a total of 1,975 metres as part of an Aboriginal training program, and a further short exploratory program in November 2014 east of the discovery.
- *Western Fold* is a gold exploration prospect, contiguous to the Richardson Lake property, consisting of twelve unpatented mineral claims totaling approximately 2,300 hectares. The property was also surveyed by the 2014 airborne magnetic survey program, identifying several targets of interest.

The Company also holds 100% interest in the McFauld's Lake property in the Ring of Fire area, holds 100% interest in a group of properties in the Confederation Lake and Fredart Lake areas of the Red Lake

Mining District that are presently under an option agreement, and retains a 35% interest in the Bridget Lake property in the Red Lake Mining District.

A key initiative continued by the Company is its relationship-building with the First Nation communities and supporting the growth of their role in the future of exploration in Canada. AurCrest implements an "inclusion and participation" approach to consultation with First Nations potentially affected by Company activities, and is at the forefront of the important industry relationship developments necessary to support continued exploration:

- The Company has completed two financings with the Lac Seul First Nation and is represented by a member of the community as President & CEO of the Company, as President of Wiigwaasaatig Energy Inc. ("WEI"), and as a member of the Board of Directors.

- The Company signed a significant exploration agreement with the Webequie First Nation with respect to the McFauld's Lake property, which was the first of its kind in Ontario's 'Ring of Fire'.

- In November 2017 the Company announced the signing of a letter of intent with the Cat Lake First Nation ("CLFN") to allow the Company to stake certain mineral exploration properties located within the CLFN traditional territory.

- In December 2017 the Company announced the signing of a similar letter of intent with Lac Seul First Nation ("LSFN") to allow the Company to stake certain mineral exploration properties within the LSFN traditional territory. These transactions are subject to due diligence, corporate and TSX-V approvals

The Company has formed WEI as a privately-held subsidiary, which is mandated to establish renewable energy business structures as partnerships with First Nation communities and the mineral exploration and development industry proximal to those First Nations. This Corporate Social Responsibility energy initiative is intended to:

i) reduce the diesel dependency for electrical generation in remote First Nations and mineral development sites,
ii) provide an economic base contributor for First Nations involved in the WEI partnerships, and
iii) develop supplier-consumer relationships with mineral developments proximal to First Nations communities.

WEI is an Aboriginally-driven corporation, with First Nations representation and direction at both management and Board levels. WEI has focused its activities on the Richardson Lake area and partnership developments with the First Nations proximal to the Company's Richardson Lake property in support of ongoing exploration advancement efforts.

- The Company, through WEI, entered into a Letter of Intent with Cat Lake First Nation (the "Cat Lake LOI") in 2016 for mutual collaboration to investigate the feasibility of and develop up to a 40MW renewable energy project at Cat Lake (the "Project"). The Project is expected to incorporate a phased blend of wind, solar, geothermal and biomass technologies, capable of energizing community needs and mineral exploration and development sites proximal to Cat Lake. WEI signed an extension to the LOI with Cat Lake First Nation in 2017 to continue Project development, with a significant focus on biomass generation.

- The Company entered into a Technical Consulting Agreement with Maple Energy and Mining Inc. ("Maple Energy") to provide technical and advisory services to WEI with regards to the Project.

- WEI has formed a strategic partnership with MOBISMART Mobile Off-Grid Power & Storage Inc. ("MobiSmart") to participate in a multiyear demonstration project of a combined-technology renewable energy generation system intended to provide stable electrical production in remote areas. This strategic partnership will endeavor to deploy four systems at two remote mining exploration camps and at two First Nation communities; the demonstration project will utilize the WEI business model for post-manufacture aspects through partnership with the participating First Nations, CLFN and LSFN.

ACTIVITIES

2018

- In May 2018, the Company announced a $500,000 working capital financing of which $67,500 has closed to date.
- The Company signed an agreement to acquire the 2% Net Smelter Returns Royalty on the Company's Richardson Lake Property in consideration for the payment of $50,000 on or before June 7, 2018
- The Company received approval of its Richardson Lake 2018-19 Project exploration plan (PL-18-10898) from Ontario's Ministry of Northern Development and Mines, for 6,000 m of drilling and 15,000 m of line-cutting and ground-based IP survey.
- The Company, through WEI, formed a strategic partnership with MobiSmart to participate in a multiyear renewable energy generation project and has received letters of support from CLFN and LSFN.
- The Company received its second option payment of 1,000,000 common shares of Pistol Bay Mining Inc. (TSX-V:PST) ("Pistol") and $50,000 cash related to the Confederation Lake property (see below).

2017

- The Company signed a staking agreement with LSFN.
- The Company signed a staking agreement with CLFN.
- The Company through WEI signed an extension to the Cat Lake LOI for the 40MW renewable energy Project.
- The Company received regulatory approval for the Definitive Option Agreement (the "Pistol Bay Option Agreement") with Pistol for 108 mining claims with a total of 321 claim units with an area of 5,136 hectares, being the Confederation Lake Property and the Fredart Lake Property and received 1,000,000 common shares of Pistol and the second payment of $25,000.
- The Company retained IBK Capital Corporation as Financial Advisor for a period of two years for the purposes of auction of Richardson Lake claims bearing net smelter return royalties to third parties.
- The Company completed a convertible loan financing of $50,000.
- The Company closed a first tranche of a brokered private placement of 1,000,000 Working Capital Units for gross proceeds of $50,000.
- The Company closed a second tranche of a brokered private placement of 500,000 Working Capital Units for gross proceeds of $25,000.
- The Company closed a third tranche of a brokered private placement of 300,000 Working Capital Units for gross proceeds of $15,000.
- The Company appointed Executive Vice-President Chris Angeconeb to the position of President & CEO.

MINERAL PROPERTIES

Richardson Lake area properties (Richardson Lake & Western Fold)

The Richardson Lake area properties are situated in the Red Lake Mining Division approximately 100 km northeast of the Town of Red Lake. The property is 100% owned by the Company with an underlying NSR royalty of 2%. The property is known to contain five areas with gold mineralization or gold mineralization potential. The most significant mineralization tested by the Company to date occurs at the Discovery zone at the westernmost bay of Richardson Lake where the gold is hosted by quartz veins and breccia, which are encompassed by a broad zone of silicification, carbonization, and sericitization.

The Company owns 100% of six claims that make up the Richardson Lake Property originally optioned in 2002. An additional two claims were staked by the Company in early 2010, plus 23 claims staked in early 2011. The original six claims plus an area of influence around the claims, comprising 6 staked claims, are subject to the Company's obligation to pay a NSR royalty of 2% to a third party.

Drilling on the property commenced in late 2011 and continued into March of 2012. AurCrest completed the winter 2011/2012 drilling program on Richardson Lake in March 2012 completing eight NQ drill holes for a total of 1,613 metres. Results from this program included a new gold discovery in hole RL-12-07. Located in a new area of the property, this discovery provides the Company with an entirely new and very promising area to drill. Hole RL-12-07 encountered 15 metres of 1.83 g/t gold, including 9 metres of 2.95 g/t, including 4 metres of 6 g/t and 3 metres of 7.4 g/t. The highest individual sample within the discovery zone was 1 metre of 11.1 g/t gold. In late summer through the fall of 2014, the Company continued drilling on this project. Results include RL-14-08 with an average grade of 1.85 g/t Au over 18 metres, including 2.93 g/t Au over 10 metres including 6.0 g/t Au over 4.5 metres, including 7.57 g/t Au over 3.5 meters, and including 10.4 g/t over 2.5 metres. In November 2014 the Company completed a follow-up drill program designed to test the area east of the discovery. The Company allowed several claims to expire in 2016, choosing to maintain 22 claims with significant exploration targets in good standing.

The Company has chosen to define these contiguous mineral claim units as two separate properties. The ***Richardson Lake Property*** consists of ten mineral claim units totaling approximately 1,700 hectares, including the six claims originally optioned by the Company and four claims affected by the area of influence bearing an underlying 2% NSR royalty to a third party. The ***Western Fold Property*** consists of twelve mineral claim units totaling approximately 2,300 hectares staked by the Company.

Confederation Lake

The Company's Confederation Lake properties, originally comprising eight (8) claim groups covering approximately 11,700 hectares, were acquired from GlencoreXstrata by incurring exploration expenditures totaling $3.5 million over four years, including 16,000 metres of diamond drilling. GlencoreXstrata retains a back-in option for a 50% participating interest in any deposit indicated by an independent scoping study to contain at least 8 million tonnes of massive sulphide or one million ounces of gold by expending 150% of AurCrest's expenditures on the property, or cash payment equal to that amount. If the back-in option is exercised, a joint venture will be formed relating to the area (a "Project Area") defined to contain the deposit. Should GlencoreXstrata elect not to exercise its back-in option, GlencorXstrata will retain a 2% NSR royalty relating to the relevant Project Area. In addition, GlencorXstrata will receive a one-time cash payment of $500,000 due upon submission of the first such scoping study with respect to which GlencoreXstrata does not exercise its back-in option and a further sum of $1.5 million payable upon commercial production from that Project Area. GlencoreXstrata also retains the right to carry out a sole risk exploration drilling program to confirm the contents of an independent scoping study delivered by the Company. The agreement anticipates that there may be more than one Project Area on the property.

The Confederation Lake properties are currently subject to a Definitive Option Agreement with Pistol for 108 mining claims with a total of 321 claim units with an area of 5,136 hectares, being the Confederation Lake Property and the Fredart Lake Property. Pistol can acquire 100% interest in the subject properties by paying AurCrest an aggregate of $250,000 and issuing an aggregate of 5,000,000 common shares over four years with an initial payment of $25,000 and the issuance of 1,000,000 common shares on closing (paid), the payment of a further $25,000 within 90 days following closing (paid) and the payment of $50,000 and the issuance of 1,000,000 common shares on each of the four anniversaries following closing. Each of the AurCrest properties is subject to a 2% net smelter returns royalty in favour of third parties.

McFaulds Lake

The Company currently holds a 100% interest in a group of properties (4,000 hectares) within the area known as 'The Ring of Fire' located in the Lower James Bay region of Ontario, in the proximity of McFaulds Lake.

Bridget Lake
The Bridget Lake property comprises 9 claim units covering approximately 356 acres and is situated in Ball Township, Red Lake Mining Division, Northwestern Ontario. On September 16, 2008 (the "effective date"), the Company signed an option agreement with Sendero Mining Corp. ("Sendero", formerly Halo Resources Ltd.), under which Sendero earned a 65% interest in the property. In 2014 Sendero sold its 65% interest in the property to Goldcorp. Goldcorp has been making the $10,000 annual pre-royalty payment required to keep the property in good standing.

Exploration and evaluation assets
None of the Company's exploration and evaluation assets have reached the development stage and as a result are considered exploration and evaluation assets. The Company capitalizes acquisition costs that result in the acquisition and retention of exploration and evaluation assets or an interest therein and expenses all exploration and evaluation expenditures. The amount shown for exploration and evaluation assets represents acquisition costs to date and does not necessarily reflect present or future values. If the properties are sold, allowed to lapse or are no longer of interest, accumulated capitalized costs are written off.

Expenditures on properties in which the Company does not have a registered or contractual interest are expensed as incurred.

SUMMARY OF QUARTERLY RESULTS

For the eight most recent quarters:

	March 31 2018	**December 31 2017**	**September 30 2017**	**June 30 2017**
	$	**$**	**$**	**$**
Net income (loss) for the period	6,497	(91,088)	(72,810)	(105,612
Net income (loss) per share (basic and diluted)	0.00	0.00	0.00	0.00

	March 31 2017	**December 31 2016**	**September 30 2016**	**June 30 2016**
	$	**$**	**$**	**$**
Net (loss) for the period	25,683	(89,111)	(59,139)	(54,657
Net loss per share (basic and diluted)	0.00	0.00	0.00	0.00

The variations in net loss between quarters are generally due to timing of the Company's exploration activities.

Net income for the three months ended March 31, 2018 and March 31, 2017 is a result of the receipt and valuation of 1,000,000 common shares of Pistol and cash option payments made by Pistol.

RESULTS OF OPERATIONS

The Company's net income for the three months ended March 31, 2018 was $6,497 or $0.00 per share (net income of $25,683 or $0.00 for the three months ended March 31, 2017).

General and administrative expenses of $75,945 for the three months ended March 31, 2018 ($48,808 for the three months ended March 31, 2017) included costs associated with the promotion, financing and regulatory compliance activities of the Company, and the Company's overhead, as noted below.

For the three months ended March 31	**2018**	2017
	$	$
Consulting and management fees	**29,500**	25,500
Professional fees (legal & audit)	**14,035**	17,428
Shareholder communications, advertising and promotion	**17,241**	2,350
Regulatory and filing fees	**7,251**	3,369
Office costs	**7,918**	161
	75,945	48,808

During the three months ended March 31, 2018, exploration and project evaluation activities included the receipt of 1 million common shares of Pistol totaling $50,000 and cash of $50,000 ($1 million shares of Pistol totaling $50,000 for the three months ended March 31, 2017).

EXPLORATION EXPENDITURES

Property acquisition cost

The property acquisition costs of $60,200 relate to the acquisition of the Company's Richardson Lake property.

Exploration & project evaluation

	Cumulative expenditures as at January 1 2018	Expenditures for the period	**Cumulative expenditures as at March 31 2018**
	$	$	**$**
Richardson Lake	2,227,173	10,000	**2,237,173**
Confederation Lake	10,352,259	(100,000)	**10,252,259**
Other	4,341,319	-	**4,341,319**
Amount expensed	16,920,751	(90,000)	**16,830,751**

	Cumulative expenditures as at January 1 2017	Expenditures for year ended December 31 2017	**Cumulative expenditures as at December 31 2017**
	$	$	**$**
Richardson Lake	2,217,173	10,000	**2,227,173**
Confederation Lake	10,420,321	(68,062)	**10,352,259**
Other	4,341,319	-	**4,341,319**
Amount expensed	16,978,813	(58,062)	**16,920,751**

"Other" includes exploration expenditures on projects with minor activity during the period and includes the Bridget Lake, McFaulds Lake and the Fredart Lake properties, all of which are in Northern Ontario.
Note: As disclosed in the Company's significant accounting policies (Note 2) exploration and project evaluation expenditure have been reflected in the statement of loss and comprehensive loss.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2018 and May 29, 2018, the Company had no sources of operating cash flows. The Company will therefore require additional funding which, if not raised, would result in the curtailment of activities and project delays. As at March 31, 2018, AurCrest had a working capital deficit of $676,698 (a working capital deficit of $683,195 as at December 31, 2017), and has an accumulated operating deficit of $19,340,688. During the three months ended March 31, 2018, the Company received 1 million common shares and $50,000 in cash from Pistol. The Company's ability to continue as a going concern is uncertain and is dependent upon its ability to continue to raise adequate financing. There can be no assurances that the Company will be successful in this regard, and therefore, there is substantial doubt regarding the Company's ability to continue as a going concern, and accordingly, the use of accounting principles applicable to a going concern.

FINANCIAL INSTRUMENTS

The carrying amount of financial instruments approximates fair value. The Company's financial assets include cash, cash equivalents, and accounts receivable. The Company does not consider these assets to be subject to credit risk or interest rate risk.

SHAREHOLDERS' EQUITY

The Company is authorized to issue an unlimited number of common shares and an unlimited number of preference shares. As at March 31, 2018, the Company had no preference shares issued and outstanding.

Share capital

Share capital comprises the following:

	Number of shares	Amount $
Balance, December 31, 2016	**74,574,191**	**18,506,854**
Private placement	1,800,000	90,000
Share issue expense	-	(8,100)
Share issue expense – compensation warrants	-	(8,930)
Balance, December 31, 2017 and March 31, 2018	**76,374,191**	**18,579,824**

Stock options

The following summary sets out the activity in the Plan:

	Options #	Weighted average exercise price $
Outstanding, December 31, 2016	**2,420,000**	**0.09**
Expired	(100,000)	0.10
Oustanding, December 31, 2017 and March 31, 2018	**2,320,000**	**0.09**
Exercisable, March 31, 2018	**2,320,000**	**0.09**

The following table sets out the details of the common stock options granted and outstanding as at March 31, 2018:

Number of stock options	Number exercisable	Remaining contractual life	Exercise price per share	Expiry date
750,000	750,000	1.21 years	$0.05	March 19, 2019
1,570,000	1,570,000	1.62 years	$0.10	August 13, 2019
2,320,000	**2,320,000**			

The weighted average exercise price of the options outstanding at March 31, 2018 is $0.09 per option.

Warrants
Certain issuances of common shares include warrants entitling the holder to acquire additional common shares of the Company. A summary of the warrant activity is as follows:

	Warrants #	Weighted average exercise price $
Outstanding, December 31, 2016	**21,850,130**	**0.06**
Issued – private placement	1,800,000	0.05
Issued – compensation units	180,000	0.05
Issued – compensation warrants	180,000	0.05
Issued – convertible loan	1,000,000	0.05
Issued – compensation warrants	100,000	0.05
Expired	(3,876,618)	0.10
Outstanding, December 31, 2017 and March 31, 2018	**21,233,512**	**0.05**

Shares reserved for issuance under conversion feature of convertible loan
On September 22, 2017 the Company completed a convertible loan financing of $50,000 (the "Loan"). The Loan is convertible at the rate of one common share for each $0.05 of loan converted until September 22, 2018.

Fully diluted share capital
As of March 31, 2018 and the Company has issued 76,374,191 common shares, 2,320,000 common share stock options, 21,233,512 common share purchase warrants and 1 million shares reserved for the convertible loan noted above. The number of common shares outstanding, on a fully-diluted basis is 100,927,703.

As of May 29, 2018 the Company has issued 77,780,191 common shares, 2,320,000 common share stock options, 22,639,512 common share purchase warrants and 1 million shares reserved for the convertible loan noted above. The number of common shares outstanding, on a fully-diluted basis is 103,739,703.

RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT REMUNERATION

Compensation of key management and directors
Key management compensation expenses includes the Chief Executive Officer, the Executive Vice-President, the Chief Financial Officer. Share-based compensation includes key management and directors.

For the three months ended March 31	**2018** **$**	2017 $
Management fees	**29,500**	22,500
Legal fees provided by a law firm related to William Johnstone	**10,035**	13,428
	39,535	35,926

Balances owing as at	**March 31** **2018** **$**	December 31 2017 $
Legal services provided by a law firm related to William Johnstone	**243,486**	230,672
Management fees	**121,059**	107,998
Directors loans	**29,495**	25,091
	394,040	363,761

These amounts were expensed in the period incurred as administrative and general expenses. The amounts paid and owing are measured at the exchange amount, are non-interest bearing and due on demand.

In May, 2015, directors of the Company loaned the Company working capital in the amount of $14,500. The loans are in the form of demand promissory notes bearing interest at 10% per annum.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

SUBSEQUENT EVENTS

On May 11, 2018, the Company announced plans to raise $500,000 by way of a non-brokered private placement of up to 10 million working capital units (a "WC Unit"). Each WC Unit consists of one (1) common share and one common share purchase warrant ("WC Warrant"). Each WC Warrant entitles the holder to purchase one common share (a "WC Warrant Share") at a price of $0.075 per WC Warrant Share for a period of until three years following the closing. As of May 29, 2018 the Company has closed 1,350,000 WC Units for gross proceeds of $67,500. The Company issued 56,000 WC Units to a finder in lieu of a cash fee of $2800.

The Company is also pleased to announce that it has entered into an agreement to acquire the 2% Net Smelter Returns Royalty on the Company's Richardson Lake Property (the "2% NSR") for the payment of $50,000 on or before June 7, 2018.

RISK FACTORS

Given the Company's current status as an exploration stage company, there are numerous risk factors that could affect the Company's business prospects and future performance and are detailed in the audited consolidated financial statements and management's discussion and analysis for the year ended December 31, 2017. These risks and uncertainties are not the only ones facing the Company. Additional risks and uncertainties not presently known to the Company, or that the Company currently deems immaterial, may also affect the Company's business prospects and future performance.

OUTLOOK

AurCrest is focused on its 100% owned Richardson Lake area mineral claims, which have been defined internally by the Company as the Western Fold Property and the Richardson Lake Property. With the current gold price and the prospects for Richardson Lake area properties, it is management's view that focusing on these significant gold assets is in the best interest of its shareholders.

The Western Fold property, which hosts the Western Fold Formation, comprises twelve unpatented mineral claims staked by the Company in late 2010/early 2011 totalling approximately 2,300 hectares. These claims are not subject to any underlying net smelter returns royalty to any third party. The Company completed an airborne magnetic survey of the property in 2014, and have identified several targets for future exploration.

The Richardson Lake property, which hosts the Jacquie-Girl Iron Formation and the Discovery holes RL-12-07 and RL-14-08, comprises ten unpatented mineral claims totaling approximately 1,700 hectares, including four claims staked by the Company in late 2010 and early 2011 and six unpatented mineral claims optioned 100% from the prospector Perry V. English. The original six claims plus an area of influence around said claims are subject to the Company's obligation to pay a net smelter returns royalty of 2%.

The Company completed a field program in 2012 at the Richardson Lake property, which included 1,613 metres of drilling with a new gold discovery in hole RL-12-07. This hole returned assay results of 15.0 metres of 1.83 g/t gold, including 9.0 metres of 2.95 g/t, including 4.0 metres of 6.0 g/t and 3.0 metres of 7.4 g/t. The highest individual sample within the discovery zone was 1.0 metre of 11.1 g/t gold.. Under an exploration permit received in 2013, the Company raised the capital necessary to complete 1,957.5 metres in 4 drill holes during the 2014 summer/autumn drill season to follow up on this discovery and to attempt definition of the continuation of this promising gold strike, and also complete 511 line kilometres of an airborne magnetic survey to compliment the drill work and begin exploring areas to the west. Drill hole RL-14-08 was drilled to a depth of 448.5 metres, and succeeded in hitting a gold bearing zone 140 metres south of the discovery in RL-12-07, and with remarkably consistent grades. RL-14-08 encountered 18.0 metres of 1.85 g/t gold, including 10.0 metres of 2.93 g/t, 4.5 metres of 6.0 g/t, 3.5 of 7.57 g/t, 2.5 metres of 10.4 g/t, and 1.0 metre of 15.0 g/t gold; This follow-up drill hole confirms the promising new discovery made in 2012. AurCrest intends to complete further drilling in this area when it is able to raise additional financing to complete a meaningful program, and has received ministry approval for the "Richardson Lake 2018-19 Project" exploration plan involving up to 6,000 metres of drilling and 15,000 metres of line-cutting for geophysics. This next phase of drilling and geophysics will help to further establish this discovery, and the Company will endeavor to finance a meaningful drill program to outline this new gold discovery.

While the current capital markets for junior exploration companies are considered to be depressed, it is management's view that gold as a commodity will remain attractive and that markets have shown signs of recent improvement. The Company's decision to remain focused on this metal and this discovery along with our persistent team, will allow management to continue to market AurCrest in the coming months.

Christopher Angeconeb of the Lac Seul First Nation, having been on our Board since 2011, has accepted the position of President & CEO, helping to further implement our exploration and discovery of gold at Richardson Lake in the traditional lands shared primarily by the Cat Lake, Slate Falls, and Lac Seul First Nations. Former President & CEO Ian Brodie-Brown remains with the company as Director – Business Development.

The Company's subsidiary WEI was formed to deploy and operate site-specific renewable energy technology solutions through business partnerships with First Nation communities and the mineral exploration and development industry proximal to those First Nations. The need for First Nations electricity, clean and renewable over an out-of-date diesel dependency that does not meet their basic requirements, is as critical as any issue facing the communities in the north today. WEI, through the development of business structures and infrastructure in partnership with the Company's neighbouring First Nations, is uniquely positioned to create an economic base for those First Nations and grow the infrastructure necessary to power future mineral exploration and development activities.

AurCrest continues to strengthen its relationships with the local communities and believes that this ongoing focus will enhance future exploration success. These valued relationships, and the proper access to mineral exploration opportunities are integral, and above all, the most important part of our business endeavors.

As part of this these endeavours, Russell Wesley and Alex Carpenter were elected to the AurCrest Board of Directors at the Annual General and Special Meeting held on May 7, 2018. Russell Wesley is from the Cat Lake First Nation, Treaty 9 Territory. He served as Chief of Cat Lake from 2013 to 2016. During his leadership he was instrumental in the development of the Sioux Lookout Friendship Accord forging positive partnerships with neighboring First Nations and the Municipality of Sioux Lookout. Alexander Carpenter has a wealth of knowledge and experience in the mining industry. Being a First Nations person who has experienced the residential school system in 1963, he carried on and graduated from High School, attending both Queen Elizabeth High and Thunder Bay High. Both individuals, through their long careers, have earned the respect of their peers and demonstrate the value of indigenous people actively participating in business and governance of the modern Canadian society. AurCrest fully intends to apply the wisdom and experiences of these two individuals into our model of inclusion and participation for the mutual benefit of our shareholders and the communities proximal to our mineral exploration areas.

Blaine Webster, P.Geo., a consultant to the Company and a qualified person as defined by National Instrument 43-101, has reviewed and approved the technical information contained in this MD&A.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Management's Discussion and Analysis contains forward-looking statements that involve risks and uncertainties, which may cause actual results to differ materially from the statements made. When used in this document, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions are intended to identify forward-looking statements. Such statements reflect our current views with respect to future events and are subject to such risks and uncertainties. Many factors could cause our actual results to differ materially from the statements made, including those factors discussed in filings made by us with the Canadian securities regulatory authorities. Should one or more of these risks and uncertainties, such as actual results of current exploration programs, the general risks associated with the mining industry, the price of gold and other metals, currency and interest rate fluctuations, increased competition and general economic and market factors, occur or should assumptions underlying the forward looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, or expected. We do not intend and do not assume any obligation to update these forward-looking statements except as required by law. Shareholders are cautioned not to put undue reliance on such forward-looking statements.