Goldcliff
RESOURCE CORPORATION

INTERIM MANAGEMENT DISCUSSION & ANALYSIS

QUARTERLY HIGHLIGHTS

July 31, 2016

This Interim Management's Discussion and Analysis – Quarterly Highlights ("Interim MD&A") is an overview of all material information about Goldcliff Resource Corporation's (the "Company" or "Goldcliff") operations, liquidity and capital resources for the three month and nine month periods ended April 30, 2016. The Interim MD&A should be read in conjunction with the unaudited condensed consolidated interim financial statements for the three months ended July 31, 2016 and 2015, and the related notes contained therein which have been prepared under International Accounting Standard 34 – *Interim Financial Reporting* as issued by the International Accounting Standards Board. The following should also be read in conjunction with the audited consolidated financial statements for the year ended October 31, 2015, and the related notes contained therein. All amounts are stated in Canadian dollars unless otherwise indicated. Additional information related to the Company is available for view on SEDAR at www.sedar.com and on the Company's website www.goldcliff.com. The effective date of this Interim MD&A is September 27, 2016. This Interim MD&A contains forward-looking information. Reference to the "Cautionary Statement and Forward-Looking Statement Disclaimer" on page 7 of this Interim MD&A is advised.

HIGHLIGHTS

Since early January of 2016, the price of gold has risen from $1,077.30 (US) to $1,327.40 (US). The price of silver has moved from $13.90 (US) to $19.11 (US). Senior gold equities as measured by the TSX Gold Index has risen to 213.26 from 134.32. More recently, investor interest has returned to the junior exploration and development sector. The TSX Venture Index has risen from 524.26 to 796.63.

In response to this evidence of a renewed precious metals cycle, Goldcliff issued a News Release dated May 2, 2016 outlining a strategy to position the Company in the new cycle. Specifically, Goldcliff plans to offer shareholders direct exposure to precious metals production through the DirectRoyalty online streaming platform and through the acquisition and advancement of projects that fit the Phased Production business model.

The following progress has been made in implementing this strategy:

- Goldcliff entered into a Loan Agreement dated May 31,2016 with Company President George Sanders, whereby Mr. Sanders will provide $140,000 by way of a one year, interest free loan for the purpose of project due diligence and acquisition.

  A share bonus of 560,000 common shares of the Company was issued to Mr. Sanders on June 16, 2017.

- By way of Binding Letter of Intent dated June 6, 2016 with Lyon Grove, LLC, Goldcliff will lease the Wilson patented claims, located in Lyon County Nevada. Upon signing, Goldcliff made an upfront payment of $61,729.84 (US) to cover two years of arrears of advance royalty payments plus interest. Goldcliff will assume the obligation of $25,000 (US) annual advance royalty payments and a 2.5 per-cent Net Smelter Return (NSR) royalty on all production from the patented claims.

  The Wilson patented claims, comprising 33.55 acres, form part of the advanced stage Pine Grove gold project, currently being developed by Lincoln Mining Corp.

Lyon Grove, LLC is also entitled to a NSR royalty of 5 per-cent on all Lincoln Mining located claims within a six-mile area of influence, excluding other patented claims that comprise a portion of the Pine Grove project. Upon signing of a Definitive Agreement, Goldcliff will purchase for $25,000 (US), a six-year option to buy down the NSR to 3 per-cent at a rate of $75,000 (US) per percentage point for three years, and $150,000 (US) per percentage point for an additional three years.

- On August 8,2016 Goldcliff issued a News Release announcing the signing of a Letter of intent with Lincoln Mining Corporation to earn a 40% Joint Venture interest in the Pine Grove Project by spending $1,400,000 (US) over three years, a share consolidation on the basis of one new share for every ten shares currently held, and a shares for debt transaction to eliminate long standing related party payables.

- Goldcliff has entered into a binding Letter of Intent dated August 5, 2016 with Lincoln Mining Corporation (Lincoln) whereby Goldcliff will earn a 40% joint venture interest in Lincoln's Pine Grove Nevada project by spending $1,400,000 (US) over three years, and contributing the Wilson patented claims to the Pine Grove holdings of Lincoln. The Pine Grove project consists of the Wilson patented claims, the Wheeler patented claims, and the Cavanaugh patented claims as well as 243 located claims. The Measured and Indicated Resource of 3,060,000 tonnes of 1.37g/t Au occurs in two deposits, one on the Wilson claims and one on the Wheeler claims (43-101 Technical Report, Pine Grove Project by Telesto Nevada, Inc. dated February 4, 2015). The Cavanaugh patented claims include water rights, and testing has indicated sufficient water for an open pit heap leach mining and processing operation.

  Lincoln will serve as operator of the project, subject to the direction of a Management Committee comprised of one member each nominated by Lincoln and by Goldcliff and one independent member. All Management Committee recommended expenditures are subject to Goldcliff approval.

  Royalties on the Pine Grove project include a 2.5 % Net Smelter Return (NSR) on the Wilson patented claims, a 7% NSR on the Wheeler patented claims, and a 1.5% NSR on the Cavanagh patented claims. The Lessor of the Wilson patented claims also holds a 5% NSR on the Lincoln located claims (excluding all patented claims) and Goldcliff has a three-year option to buy that royalty down to 3% by paying $75,000 (US) per percentage point.

  Included in Goldcliff's $1,400,000 earn-in threshold are annual advance royalty payments of $25,000 (US) on the Wilson patented claims and $30,000 (US) on the Wheeler patented claims. There are no additional duration, milestone, lump sum payments or work commitments as part of underlying land agreements.

  Goldcliff and Lincoln plan immediate resumption of long lead time permitting requirements around base line sampling and data gathering. The companies intend to drill test certain resource expansion targets on the Wilson patented claims this fall. A compelling exploration target developed by previous operators exists upslope from the Wheeler patented claims. The companies intend to immediately confirm that target with mapping and sampling prior to drill testing.

- Pursuant to Directors' Resolution dated August 10, 2016, Goldcliff consolidated its share capital on a ten old for one new basis. Shares of the Company traded on a post consolidated basis on the TSX Venture Exchange on August 22, 2016. After consolidation there were 9,850,050 common shares issued and outstanding.

- On August 24, 2016 Goldcliff closed the first tranche of the non-brokered private placement of up to 5,500,000 Units at a price of $0.19 by issuing 2,200,000 units for gross proceeds of $418,000. Each unit consists of one common share and one half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase one additional common share at a price of $0.25 per share for a period of two years from the date of closing. The Company paid finder's fees totalling $5,700 in cash and issued 30,000 finder's warrants in connection with the Private Placement. Each finder's warrant entitles the holder to purchase one common share at a price of $0.25 per share for a period of two years from the date of closing.

- On August 31, 2016 Goldcliff closed a second tranche of the placement by issuing 2,600,000 Units at a price of $0.19 per Unit for gross proceeds of $494,000. Each unit consists of one common share and one half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase one additional common share at a price of $0.25 per share for a period of two years from the date of closing. The Company paid finder's fees totalling $14,250 in cash and issued 75,000 finder's warrants in connection with the second tranche of the Private Placement. Each finder's warrant entitles the holder to purchase one common share at a price of $0.25 per share for a period of two years from the date of closing.

- On September 16, 2016 Goldcliff closed a third tranche of the placement by issuing 446,862 Units at a price of $0.19 per Unit for gross proceeds of $84,903.78. Each unit consists of one common share and one half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase one additional common share at a price of $0.25 per share for a period of two years from the date of closing. The Company paid finder's fees totalling $1,482.00 in cash and issued 7,800 finder's warrants in connection with the third tranche of the Private Placement. Each finder's warrant entitles the holder to purchase one common share at a price of $0.25 per share for a period of two years from the date of closing.

  Subsequent to the third close the Company expanded the non - brokered Private Placement to 5,600,000 Units and extended the final closing to October 21, 2016.

- By Directors' Resolution dated August 2, 2016 the Company agreed to settle related party debt of $596,114.69 through the combination of Creditor write off and the issuance of 2,546,799 common shares at a deemed price of $0.19 (post consolidation). Shares are to be issued to Interpretex Resources Ltd. (owned by Director Ed Rockel) as to 1,415,290, to Gwen Saleken as to 843,166 (Gwen Saleken purchased the debt owned to Geotec Consultants Ltd., a Company controlled by former Director Len Saleken), to Bellevue Creek Management Ltd (partly owned by Director George Sanders) as to 184,211, and to Sam Zastavnikovitch as to 104,132. The shares for debt details have been submitted to the TSX Venture Exchange and will be issued upon Exchange approval.

RESULTS FROM OPERATIONS

During the three months ended July 31, 2016 the comprehensive loss was $48,363 (July 31, 2015 – ($19,387)). For the nine months ended July 31, 2016 the comprehensive loss was $104,454 (July 31, 2015 - $61,459). The variation between the quarter and nine - month period and the prior year periods includes the following:

Exploration expenditures for the quarter and nine-month periods respectively increased to $27,746 and $61,120 ($(33,527) and $9,510 for the corresponding periods 2015) due to due diligence activity in Nevada, including site visit and review of Pine Grove data.
Office charges for the quarter and nine-month periods respectively increased to $18,394 and $33,304 ($9,300 and $27,196 for the corresponding periods 2015) due to registration of a Nevada subsidiary, corporate travel and increased administrative costs associated with an asset acquisition, financing and restructuring.
Management fees for the quarter and nine-month periods respectively decreased to nil (nil and nil for the corresponding periods 2015) as management fees are currently not being charged.
Share based compensation is nil as no new stock options have been issued.

CASH FLOW

The Company has financed its operations to date primarily through the issuance of common shares. The Company currently has no operations from which to derive revenues. As at July 31, 2016 cash and cash equivalents increased to $65,440 from $42,854 as at October 31, 2015.

During the quarter ended July 31, 2016 Goldcliff entered into a Loan Agreement dated May 31,2016 with Company President George Sanders, whereby Mr. Sanders has provided $140,000 by way of a one year, interest free loan for the purpose of project due diligence and acquisition.

LIQUIDITY AND CAPITAL RESOURCE OUTLOOK

Assets

As at July 31, 2016, the Company held cash and cash equivalents of $65,440

Amounts receivable balance of $4,148 consists primarily of refundable GST expenses.

Liabilities

As at July 31, 2016, accounts payable and accrued liabilities amounted to $24,519 (October 31, 2015 - $33,094) which relates to expenses in the normal coarse of business. The amount due to Related Parties of $822,928 (October 31, 2015 - $$782,778) consists of current and several years' arrears of geologic consulting fees and some management fees. The company has one year, 0% interest loan of $140,000 with a director of the company.

Liquidity Outlook

The Company currently has no source of revenue. The current cash balance of $65,440 is insufficient to discharge the accounts payable and amounts due related parties and to continue any further exploration activity. Subsequent to the end of the quarter the Company has closed equity placements for gross proceeds of $996,903.78. Also subsequent to the end of the quarter the Company has entered into Debt Settlement Agreements with the holders of the Related Party payables, which will eliminate those obligations. The share issuance related to those agreements is awaiting regulatory approval and those shares have not yet been issued. The current funding will allow the Company to cover all corporate overhead expenses and begin development work on the Pine Grove project. The working capital position will be insufficient to meet Goldcliff's earn-in expenditures on the Pine Grove project therefore additional financing will be required. There is no assurance that future equity capital will be available to the Company in the amounts or at the times desired by the Company or on terms acceptable to it, if at all.

COMMITMENT, EVENTS AND UNCERTAINTIES

There was no commitment, event or uncertainty which materially affected the Company's operations, liquidity and capital resources during the three months ended July 31, 2016.

RELATED PARTY TRANSACTIONS

Included in accounts payable for the quarter ended July 31, 2016 is $822,928 (2015 - $774,825) owing to directors, or corporations controlled by directors of the Company.

The Company entered into the following transactions with key management personnel:

a) Paid or accrued deferred exploration costs and office expenses of $58,526 (2015-$55,685) to Interpretex Resources Ltd., a corporation controlled by a director (Edwin R. Rockel) of the Company.

b) Paid or accrued professional fees of $4,058 (2015 -$ 13,381) included in professional fees to Vector Corporate Law, a corporation in which an officer (Graham H. Scott) of the Company is a senior partner.

c) Goldcliff entered into a Loan Agreement dated May 31,2016 with Company President George Sanders, whereby Mr. Sanders will provide $140,000 by way of a one year, interest free loan for the purpose of project due diligence and acquisition. A share bonus of 560,000 common shares of the Company was issued to Mr. Sanders on June 16, 2017.

These transactions were in the normal course of operations and were measured at the exchange value which represented the amount of consideration established and agreed to by the related parties.

CAUTIONARY STATEMENT AND FORWARD LOOKING DISCLAIMER

This MD&A includes certain statements that may be deemed "forward-looking statements." All statements in this discussion, other than statements of historical facts that address future production, reserve potential, exploration drilling, exploration activities and events or developments that the Corporation expects, are forward-looking statements. Although the Corporation believes the expectations expressed in such forward looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and those actual results or developments may differ materially from those projected in the forward-looking statements.

QUALIFIED PERSON(S)

Technical information contained in this interim MD&A has been prepared by or under the supervision of Erwin Rockel, P. Geo., a Director of the Company, who is a Qualified Person for the purpose of National Instrument 43-101.

ABOUT THE COMPANY

Goldcliff Resource Corporation is engaged in the acquisition, exploration and evaluation of both exploration projects and producing assets in Canada and the United States. The Company is active in the province of British Columbia, Canada, where the Company has two active projects, and in the state of Nevada, USA, where the Company has one active project.

The Company is also building an online platform for direct, fractional ownership of precious metals production.

The Company is exposed to commodity price and equity market risk due to the cyclical nature of mineral exploration. Management seeks to minimize exploration costs and political risk by operating on road accessible locations in mining friendly jurisdictions.

The Company is a reporting issuer in British Columbia and Alberta, and trades on the TSX Venture Exchange under the symbol GCN. The Company's head office is in Vancouver, British Columbia. The Company's website is www.goldcliff.com and email is gsanders@directroyalty.com. The DirectRoyalty Beta site is www.directroyalty.com .

For further information on the Company and the Company's exploration programs, please contact George Sanders, President at 250-764-8879 or toll free at 1-866-769-4802 or gsanders@directroyalty.com.