SENNEN
POTASH CORPORATION

Management's Discussion and Analysis

For the nine months ended October 31, 2015

The following management's discussion and analysis of financial position and results of operations ("MD&A"), prepared as of December 21, 2015, should be read in conjunction with the accompanying unaudited condensed consolidated interim financial statements for the nine months ended October 31, 2015 and the related notes thereto, prepared in accordance with International Accounting Standard No.34, Interim Financial Reporting. This MD&A should also be read in conjunction with the Company's audited consolidated financial statements for the year ended January 31, 2015 and the related notes thereto. All amounts are expressed in Canadian dollars, unless otherwise stated. All documents previously mentioned are available on SEDAR at www.sedar.com.

Management is responsible for the preparation and integrity of the unaudited condensed consolidated interim financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the unaudited condensed consolidated interim financial statements and MD&A, is complete and reliable.

Additional information on the Company is available on SEDAR at www.sedar.com or by contacting the Company's head office at Suite 501-837 West Hastings Street, Vancouver BC, Canada V6C 3N6. The Company's web site is www.sennenpotash.com.

Description of Business

The Company is a natural resource company engaged in the acquisition, exploration and development of resource properties. The Company trades on the TSX Venture Exchange (the "TSX-V") under the symbol SN.

Overview

<u>Monument Potash Project</u>

The Monument Potash Project ("Monument") is comprised of highly contiguous mineral leases in south-east Utah located less than 70 miles from Intrepid Potash Corp.'s operating Cane Creek Solution Mine.

Mineral Resource Estimate

The Mineral Resource Estimate, was prepared by Ms. Tabetha Stirrett, P.Geo, who was the Qualified Person ("QP") for the Report (dated July 28, 2015). The Saskatchewan Research Council Geoanalytical Laboratory was used for geotechnical analyses and analytical quality control and assurance. Roger Edgecombe and Adam Flynn of RPS provided consulting services for the 2D seismic interpretations for input into calculating the Mineral Resource.

The Inferred Resources are reported for the Upper and Lower Potash Beds of Cycle 18 for the Johnson Well, and a Potential Quantity Tonnage is reported for the Upper Potash Bed of Cycle 18 based on correlation with historical well log data from the Western Natural Gas 1 Well.

The complete resource summary is provided in Table 1 entitled Sennen Potash Resource Summary Table. Areas used in the Mineral Resource Estimate are illustrated in the Report which is filed on SEDAR (www.sedar.com).

Monument currently has a defined Mineral Resource as follows:

- Inferred Resource Upper Potash Bed: 107.3 MMt, grading 26.96% K_20 (42.67% KCl) with 0.01% Carnallite and 0.62% Insolubles.
- Inferred Resource Lower Potash Bed: 81.0 MMt, grading 22.60% K_20 (35.77% KCl); Carnallite and Insoluble content not available.

In addition to the Inferred Mineral Resource, there is a Potential Quantity Tonnage ranging between: 72.1-108.2 MMt and, grading between 5.0-17.0% K_20 (7.9-26.9% KCl). The Report notes that the Potential Quantity and grade are conceptual in nature and there has been insufficient exploration to define a mineral resource at this time.

The parameters and deductions included in the Mineral Resource Estimate are listed in detail as footnotes to the Resource Summary (Table 1). The main parameters used in the determinations are as follows:

- For the estimation of the Mineral Resource and Potential Quantity Tonnage a radius of inference ("ROI") of 2,400m was used.
- A 25% deduction was applied for undetectable seismic anomalies.
- A 5% K_20 grade cut-off was used to delineate the geological (top and base) of the mineralized section of the potash bed.
- The Potential Quantity Tonnage is defined by a 5% K_20 cut-off to delineate the geological boundaries and thickness range between the thickness measured in, the Western Natural Gas 1 Well of 10.5m, and a minimum thickness of 7.0m as seen in the Johnson Well.
- Carnallite and Insolubles from the Johnson Well are very low, and similar values would be expected in Cycle 18 at the Western Natural Gas 1 Well location.

Table 1

Sennen Potash Resource Summary Table								
Upper Potash Bed Inferred Resource Summary								
Member	Area with Exclusions (km^2)	Thickness (m)	Weighted Average K_2O Grade (%)	Weighted Average KCl Grade (%)	Weighted Average Carnallite Content (%)	Weighted Average Insoluble Content (%)	Sylvinite Tonnage (MMT)[1,2,3,4]	Gross K_2O due to Sylvite Tonnage (MMT)[1,2,3,4]
Upper Potash Bed	7.1	7.26	26.96	42.67	0.01	0.62	107.3	28.9
Lower Potash Bed Inferred Resource Summary								
Member	Area with Exclusions (km^2)	Thickness (m)	Weighted Average K_2O Grade (%)	Weighted Average KCl Grade (%)	Weighted Average Carnallite Content (%)	Weighted Average Insoluble Content (%)	Sylvinite Tonnage (MMT)[1,2,3,4]	Gross K_2O due to Sylvite Tonnage (MMT)[1,2,3,4]
Lower Potash Bed	7.1	5.48	22.60	35.77	n/a	n/a	81.0	18.3
Upper Potash Bed Potential Quantity Summary (Estimated From GREC)								
Member	Area with Exclusions (km^2)	Thickness (m)	Weighted Average K_2O Grade (%)	Weighted Average KCl Grade (%)	Weighted Average Carnallite Content (%)	Weighted Average Insoluble Content (%)	Sylvinite Tonnage (MMT)[1,2,3,4]	Gross K_2O due to Sylvite Tonnage (MMT)[1,2,3,4]
Upper Potash Bed	5.0	7 - 10.5	5.0 - 17.0	7.9 - 26.9	n/a	n/a	72.1 - 108.2	3.6 - 18.4

Note:
Qualified Person for this Resource and Potential Quantity Estimate is: Tabetha Stirrett, P. Geo. North Rim.
Effective Date of this estimate is: December 19, 2014 (receipt of last drill hole assay results)
1. MMT = Million Metric Tonnes
2. Density of Sylvinite = 2.08 T/m3.
3. In-Place Sylvinite is calculated based on Area x Thickness x Density
4. Gross Resource based on 100% extraction ratio and 0% plant loss.
5. GREC = Gamma Ray Equivilant Calculation of K_2O from wireline logs
6. Inferred Resource radius of influence is 0 - 2400 m.
7. Potential Quantity radius of influence is 0 - 2400 m.
8. Deductions for unknown seismic anomalies are 25% as no 3D seismic has been completed.
9. The following deductions are anticipated, but not yet applied: A) Mining Parameter deductions for extraction ratio and cavern or plant loss B) Economic Grade Cut-offs from a project specific economic analysis. The appropriate deductions values are anticipated as outputs from further studies.
10. Upper Potash Bed Inferred Resource uses a 5% K_2O bed cutoff to define the upper and lower contacts and is further described in Section 14 of the report.
11. Potential quantities for Upper Potash Bed uses a range between a minimum thickness based on Johnson #1 and a maximum thickness as seen in the Western Natural Gas 1 wellas described in Section 14 of the report.

Report Conclusions

The following is a summary of conclusions pertaining to the geology, mineral resource, infrastructure, and data quality;

- North Rim believe the data used for the Report is of acceptable quality and reliance for use in a Mineral Resource Estimation.
- Potash mineralization showing economic potential was identified in two principal zones; The Cycle 18 Upper Potash Bed and the Cycle 18 Lower Potash Bed.
- The Cycle 18 Potash Beds are at a favourable depth for solution mining.

- The mapped beds are all relatively flat units that dip gently in an S-SW direction at an angle of 10-15°. The generally flat-lying nature of the potash beds further contribute to the potential economic viability of solution mining.
- The estimated bottom hole temperature from the wireline tools of 68°C (154°F) is favourable for solution mining.
- Very low Carnallite (0.01%) and Insoluble content (0.56%) are favourable for solution mining in the Upper Cycle 18 Potash Bed. Similarly, lower Carnallite and Insoluble content in the Lower Cycle 18 Potash Bed, as indicated in geophysical well logs, are also advantageous.
- Major structural irregularities and geological anomalies were not identified within the project area in the review of the 2D seismic data.
- Access to the project area is good via several paved state highways and gravel roads.

Recommendations

The following recommendations are made by North Rim:

- A Phase 2 drill program should be conducted to further delineate and classify the mineral resource.
- Phase 2 drilling should comprise two wells and these should be drilled on existing 2D seismic lines.
- Dissolution testing and rock mechanics testing should be conducted on recovered drill core.
- Completion of a Scoping Study/Preliminary Economic Assessment.
- Upon completion of the Phase 2 drill program and Scoping Study, a 3-D seismic program should be conducted to confirm continuity of the Cycle 18 unit across the area and to define any anomalous features in the area.
- Start an Environmental Impact Study.
- 1 to 3 additional holes may be required for infill drilling in order to refine the geological model prior to mine planning.
- Results of the Phase 2 drill program and Scoping Study will determine if the project will progress to a Prefeasibility Study.
- Estimated costs for the Phase 2 drill program are approximately $5-7m.

Mining Potential

For the purpose of the Report, the Mineral Resource is based on the assumption that the recovery of potash would be by Solution mining methods. No Preliminary Economic Assessment or Scoping Study has been conducted. However, the Company will proceed with further technical work on the basis that with such a thick potash bed (7-10m), high-grade (~ 43% KCl), and high down-hole temperatures (68°C), the Cycle 18 Potash Bed appears to be ideally suited to Solution mining methods. More details on Solution mining methods and their potential application at Monument are provided in a Corporate Presentation available on the Company's website (www.sennenpotash.com).

Qualified Persons

The disclosure of technical and scientific information above has been approved by Tabetha A. Stirrett, P. Geo., of North Rim Exploration. Tabetha Stirrett is a Professional Geologist registered in the province of Saskatchewan, as well as professionally registered with American Institute of Professional Geologists (AIPG) and is a Qualified Person as defined by NI 43-101.

<u>70% Interest Earned</u>

As a result of the completion of the Well (and other terms and conditions being met), the Company has now earned its 70% interest in Monument. The Company did not elect their right to acquire a further 5.5% interest in Monument by completing a pre-feasibility study and, has now entered into Joint Venture negotiations with Paradox Basin Resources Corp. ("Paradox").

<u>Oro Project</u>

The Company had an option with North Arrow Minerals Inc ("North Arrow") to earn a 60% interest in North Arrow's Hope Bay Oro Project ("Oro") located at Hope Bay on the Arctic coast in Western Nunavut, Canada.

The Company and North Arrow amended the terms of the option agreement to extend the exploration expenditures obligation by 12 months for each annual commitment. On February 3, 2015, the Company notified North Arrow that it was not going to fulfil its expenditure obligations and, as a result, the Company wrote-off all costs associated with the Oro project as at January 31, 2015. The total write-off of $4,614,027 was comprised of common shares with a deemed value of $3,387,589 and cash expenditures of $1,226,438.

Share Consolidation

On March 19, 2015, the Company completed a 10 old for 1 new share consolidation. All references to number of shares and per share amounts have been retroactively restated to reflect the consolidation.

Private Placement

On May 4, 2015, the Company completed a non-brokered private placement for gross proceeds of $3,000,000, pursuant to the issuance of 12,500,000 units at $0.24 per unit. Each unit comprised of one common share and, one share purchase warrant exercisable at $0.32 for a five year period. In conjunction with the financing, the Company paid finders' fees of $99,120 and, issued 413,000 finders' warrants with a value of $73,419. The finders' warrants have the same terms as the unit warrants. Total share issuance costs were $192,167.

Stock option grant

On October 9, 2015, the Company granted 555,000 stock options to directors, officers and a consultant of the Company, exercisable at $0.11 per share, for a period of five years.

Results of Operations

During the three months ended October 31, 2015 (the "current period"), the Company incurred a loss of $274,857 compared to a loss of $247,371 during the three months ended October 31, 2014 (the "comparative period"). The significant changes during the current period compared to the comparative period are as follows:

- During the current period, professional fees decreased to $46,855 from $61,827 because additional legal fees were incurred for tax planning in the comparative period.

- During the current period, rent decreased to $14,050 from $18,150 during the comparative period because rent decreased to $4,000 per month effective September 1, 2015.

- During the current period, the Company recorded stock-based compensation expense, a non-cash expense, in the amount of $48,455 in conjunction with the grant of 555,000 stock options. No such transaction took place during the comparative period.

During the nine months ended October 31, 2015 (the "current nine-month period"), the Company incurred a loss of $649,370 compared to a loss of $1,045,212 during the nine months ended October 31, 2014 (the "comparative nine-month period"). The significant changes during the current nine-month period compared to the comparative nine-month period are as follows:

- During the current nine-month period, administrative fees decreased to $63,112 from $95,472 incurred during the comparative nine-month period when additional administrative fees were charged to the Company's subsidiaries for the significant number of exploration expenditures paid out of the Company's subsidiaries.

- During the current nine-month period, professional fees increased to $175,654 from $110,165 incurred during the comparative nine-month period for additional legal fees for tax planning and incorporation of the Company's subsidiary Sennen Potash (US) Corporation.

- During the current nine-month period, the Company recorded stock-based compensation expense, a non-cash expense, in the amount of $48,455 in the conjunction with the grant of 555,000 stock options. During the comparative nine-month period, the Company recorded stock-based compensation expense, a non-cash expense, in the amount of $381,557 for the grant of 1,220,000 stock options.

- During the current nine-month period, foreign exchange gain increased to $68,940 compared to a loss of $3,839 during the comparative nine-month period due to the fluctuation of the Canadian dollar versus the US dollar. During the current nine-month period, the Company paid significant US dollar payables that were included in accounts payable as at January 31, 2015.

Quarterly Information

The following table sets forth selected consolidated financial information prepared by management of the Company.

	Three Months Ended October 31, 2015	Three Months Ended July 31, 2015	Three Months Ended April 30, 2015	Three Months Ended January 31, 2015
Total assets	$17,351,279	$17,475,557	$17,341,384	$16,867,275
Working capital (deficit)	34,649	301,124	(1,817,308)	(1,809,580)
Exploration and evaluation assets	16,786,718	16,746,645	16,531,034	16,350,610
Loss for the period	(274,857)	(235,209)	(139,304)	(5,000,234)
Loss per share - basic and diluted	(0.01)	(0.01)	(0.01)	(0.45)

	Three Months Ended October 31, 2014	Three Months Ended July 31, 2014	Three Months Ended April 30, 2014	Three Months Ended January 31, 2014
Total assets	$20,132,049	$19,989,387	$20,308,692	$20,473,574
Working capital	1,143,418	3,832,835	4,514,793	5,171,847
Exploration and evaluation assets	18,397,846	16,048,692	15,571,789	15,125,954
Loss for the period	(247,381)	(205,055)	(592,776)	(222,854)
Loss per share - basic and diluted	(0.02)	(0.02)	(0.05)	(0.02)

Fiscal 2016

During the third quarter of fiscal 2016, the Company recorded a loss of $274,857 compared to a loss of $235,209 recorded in the previous quarter. The increase in loss was primarily due to stock-based compensation expense, a non-cash expense, of $48,455 for the grant of 555,000 stock options.

During the second quarter of fiscal 2016, the Company recorded a loss of $235,209 compared to a loss of $139,304 recorded in the previous quarter. The increase in loss was primarily due to a foreign exchange loss of $26,596 in the current quarter, compared to a gain of $95,766 in the previous quarter. The change is a result of the fluctuation between US and Canadian dollars and US dollar payables in the current quarter.

During the first quarter of fiscal 2016, the Company recorded a loss of $139,304 compared to a loss of $5,000,234 recorded in the previous quarter. The decrease is primarily due to $4,614,027 write-off of Oro during the previous quarter.

Fiscal 2015

During the fourth quarter of fiscal 2015, the Company recorded a loss of $5,000,234 compared to a loss of $247,381 recorded in the previous quarter. The increase is primarily due to $4,614,027 write-off of Oro during the current quarter.

During the third quarter of fiscal 2015, the Company recorded a loss of $247,381 compared to a loss of $205,055 recorded in the previous quarter. The increase was primarily due to professional fees for corporate tax planning, a possible reorganization of the Company and, increased administrative fees for exploration expenditures paid from the Company’s subsidiary.

During the second quarter of fiscal 2015, the Company recorded a loss of $205,055 compared to a loss of $592,776 recorded in the previous quarter. The decrease was primarily because the Company did not record a stock-based compensation expense during the second quarter while $381,557 was recorded during the previous quarter for the grant of 1,220,000 stock options. The decrease was slightly offset by an increase in professional fees for corporate tax planning and a possible reorganization of the Company.

During the first quarter of fiscal 2015, the Company recorded a loss of $592,776 compared to a loss of $222,854 recorded in the previous quarter. The increase was primarily related to the stock-based compensation expense of $381,557 for the grant of 1,220,000 options in the current quarter, with no option grant in the previous quarter.

Fiscal 2014

During the fourth quarter of fiscal 2014, the Company recorded a loss of $222,854 compared to a loss of $160,567 recorded in the previous quarter. An increase of $34,638 was primarily attributed to professional fees, of which, $30,000 was accrued for the year-end audit fee. Additionally, during the fourth quarter of fiscal 2014, the Company incurred $467,566 in exploration expenditures on Oro and Monument.

Liquidity and Capital Resources

At October 31, 2015, the Company had working capital $34,649, inclusive of cash and equivalents of $419,601. This compares to working capital deficit of $1,809,580 at January 31, 2015, inclusive of cash and equivalents of $319,775.

The increase in cash and equivalents during the nine months ended October 31, 2015 was attributable to cash provided by financing activities of $2,881,252, offset by cash used for investing of $2,478,949 and operations of $302,477.

As at October 31, 2015, the Company had current assets of $471,679, total assets of $17,351,279 and total liabilities of $437,030. There is no long-term debt. There are no known trends in the Company's liquidity or capital resources.

The Company will need additional funds in order to maintain working capital and operational requirements over the next twelve months. Cash flow from operations to date has not satisfied the Company's operational requirements. In the past, the Company has relied on the sale of its mineral properties and equity financing to meet its cash requirements. Future developments, in excess of funds on hand, will depend on the Company's ability to obtain financing through the joint venture of projects, debt financing, equity financing or other means. There can be no assurances that the Company will be successful in obtaining any such financing or in the joint venture of any of its properties.

Related Party Transactions

The Company entered into the following transactions with related parties during the nine months ended October 31, 2015:

a) Paid or accrued consulting fees of $166,500 (2014 - $166,500) to a company controlled by Ian Rozier ("Mr. Rozier"), a director and Chief Executive Officer of the Company.

b) Paid or accrued rent of $50,350 (2014 - $54,450) to a company controlled by Mr. Rozier.

c) Paid or accrued management fees of $130,500 (2014 - $130,500) to a company controlled by Barbara Dunfield, the Chief Financial Officer of the Company.

d) Paid or accrued directors' fees of $45,000 (2014 - $45,000) to James Robertson, Merfyn Roberts and Douglas B. Hyndman.

e) Recorded stock-based compensation expense of $38,851 (2014 - $337,772) to directors and officers of the Company.

As at October 31, 2015, accounts payable totaling $229,825 (January 31, 2015 - $10,000) was payable to directors and companies controlled by directors and officers of the Company.

Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and development of its resource properties, acquire additional mineral property interests and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes the components of equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Board of Directors.

The Company currently is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management.

Financial Instruments

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The carrying value of receivables and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

The following is an analysis of the Company's financial instruments measured using the fair value hierarchy as at October 31, 2015 and January 31, 2015:

	As at October 31, 2015		
	Level 1	**Level 2**	**Level 3**
Cash and equivalents	$ 419,601	$ -	$ -

	As at January 31, 2015		
	Level 1	**Level 2**	**Level 3**
Cash and equivalents	$ 319,775	$ -	$ -

Financial risk factors

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and equivalents and receivables. Management believes that the credit risk concentration with respect to financial instruments included in receivables is remote because instruments are due primarily from government agencies and cash and equivalents are held with reputable Canadian and Hong Kong financial institutions.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they come due. As at October 31, 2015, the Company had a cash and equivalents balance of $419,601 to settle current liabilities of $437,030. To maintain liquidity, the Company is continually investigating financing opportunities. As disclosed in Note 1 of the October 31, 2015 unaudited condensed consolidated interim financial statements, there can be no assurance these efforts will be successful. All of the Company's financial liabilities are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

a) Interest rate risk

The Company has cash and equivalents balances. The Company's current policy is to invest excess cash in investment-grade short-term deposits certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. The effect of a 1% change in interest rates is approximately $4,200 (2014 - $15,000) to profit or loss.

b) Foreign currency risk

The Company's foreign exchange risk arises from transactions denominated in other currencies, primarily through the United States. Through this, the Company is exposed to foreign currency risk on fluctuations related to accounts payable and accrued liabilities that are denominated in US Dollars ("USD"). Fluctuations in USD will, consequently, have an impact upon the Company's profitability and the value of the Company's liabilities. As at October 31, 2015, the impact of a 10% change in rate of exchange on USD compared to the Canadian dollar would result in a change of approximately $1,800 on the Company's loss for the period. The Company does not use derivative instruments to reduce its exposure to foreign currency risk nor has it entered into foreign exchange contracts to hedge against gains or losses from foreign exchange fluctuations.

c) Price risk

The Company is exposed to price risk with respect to commodity prices. Changes in commodity prices will impact the economics of development of the Company's mineral property The Company closely monitors commodity prices to determine the appropriate course of action to be taken.

Risks and Uncertainties

The business of mineral exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. Other risks facing the Company include competition for mineral properties, environmental risks, fluctuations in potash and metal prices, fluctuations in exchange rates, share price volatility and uncertainty of obtaining additional financing. The Company will require additional capital to pursue its exploration projects. Given the nature of capital market demand for speculative investment opportunities, there is no assurance that additional financing will be available for the appropriate amounts and at the times required. The impact of fluctuations in the price of potash and other minerals is a risk to the Company's ability to advance its property as well as future profitability and cash flow. As the price for potash and other minerals is denominated in U.S. dollars, the Company is also at financial risk as the currency exchange rate between Canadian and U.S. dollars fluctuates. If the Canadian dollar strengthens against to the U.S. dollar, revenue from future potash and other mineral sales, which is generated in U.S. dollars, would convert to fewer Canadian dollars available to pay for operating costs that are almost entirely incurred in Canadian dollars. The ability of the Company's exploration projects to be successfully permitted to be developed as mining projects requires the approval of regulatory agencies which are beyond the Company's control.

New Accounting Standards and Recent Pronouncements

On February 1, 2015, the Company adopted the "Amendment to IFRS 7 Financial Instruments: Disclosures". There were no adjustments required on the adoption of this amendment.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

Commitments

The Company entered into management and consulting contracts with companies having a director and an officer in common. The Company has agreed to pay the companies a combined total of $33,000 per month. These contracts remain in force on a continuous basis. The contracts can be terminated by the Company by providing 90 days written notice. If termination of services is without cause, the Company will be obligated to pay 36 months of service fees to the director's company and 24 months of service fees to the officer's company.

Contingencies

The Company is not aware of any contingencies or pending legal proceedings as of the date of this MD&A.

Off Balance Sheet Arrangements

The Company has no off Balance Sheet arrangements as of the date of this MD&A.

Proposed Transactions

The Company is unaware of any proposed transactions as of the date of this MD&A.

Investor Relations

The Company has no investor relations contracts as of the date of this MD&A.

Additional Information

As at December 21, 2015, the Company had:

a) 23,614,341 common shares outstanding;

b) 2,090,000 stock options outstanding with exercise prices ranging from $0.11 to $1.10 per share and expiring between February 2018 and October 8, 2020; and

c) 12,913,000 share purchase warrants outstanding with an exercise price of $0.32 per share expiring on May 4, 2020.

Disclaimer

The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company. It should be read in conjunction with all other disclosure documents provided by the Company, which can be accessed at www.sedar.com. No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented herein.

Cautionary Statement on Forward Looking Information

Certain statements contained in this document constitute “forward-looking statements”. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressly stated or implied by such forward-looking statements. Such factors include, among others, the following: mineral exploration and development costs and results, fluctuation in the prices of commodities for which the Company is exploring, foreign operations and foreign government regulations, competition, uninsured risks, recoverability of resources discovered, capitalization requirements, commercial viability, environmental risks and obligations, and the requirement for obtaining permits and licenses for the Company’s operations in the jurisdictions in which it operates.