ANGLO-CANADIAN MINING CORP. ("the Company")
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June 27, 2016

MANAGEMENT DISCUSSION & ANALYSIS

This discussion and analysis should be read in conjunction with the unaudited interim condensed consolidated financial statements and related notes thereto for the period ended April 30, 2016. The unaudited interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting.

The reader should also refer to the audited consolidated financial statements and related notes thereof for the year ended July 31, 2015 ("Financial Statements"), which have been prepared in accordance with IFRS.

All amounts in the financial statements and this discussion and analysis are expressed in Canadian dollars, unless otherwise indicated.

Additional information relating to our company is available on SEDAR at www.sedar.com.

Forward looking information

Certain information in this MD&A, including all statements that are not historical facts, constitutes forward-looking information within the meaning of applicable Canadian securities laws. Such forward-looking information may include, but is not limited to, information which reflect management's expectations regarding the Company's future growth, results of operations (including, without limitation, future production and capital expenditures), performance (both operational and financial) and business prospects (including the timing and development of new deposits and the success of exploration activities) and opportunities. Often, this information includes words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

In making and providing the forward-looking information included in this MD&A the Company's assumptions may include among other things: (i) assumptions about the price of metals; (ii) that there are no material delays in the optimisation of operations at the exploration and evaluation assets; (iii) assumptions about operating costs and expenditures; (iv) assumptions about future production and recovery; (v) that there is no unanticipated fluctuation in foreign exchange rates; and (vi) that there is no material deterioration in general economic conditions. Although management believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or results, to be materially different from future results, performance or achievements expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include among other things the following: (i) decreases in the price of base metals; (ii) the risk that the Company will continue to have negative operating cash flow; (iii) the risk that additional financing will not be obtained as and when required; (iv) material increases in operating costs; (v) adverse fluctuations in foreign exchange rates; and (vi) environmental risks and changes in environmental legislation.

This MD&A (See "Risks and Uncertainties") and the Company's annual information form contain information on risks, uncertainties and other factors relating to the forward-looking information. Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Also, many of the factors are beyond the Company's control. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to reissue or update forward looking information as a result of new information or events after the date of this MD&A except as may be required by law. All forward-looking information disclosed in this document is qualified by this cautionary statement.

Overview

We are a mineral exploration company engaged in the acquisition, exploration and development of exploration and evaluation assets (primarily base and precious metals). We do not have any producing exploration and evaluation assets at this time. Our business is presently focused on the exploration and evaluation of various mineral deposits in the Provinces of British Columbia and Quebec, Canada.

We are a reporting issuer in each of the Provinces of British Columbia and Alberta. Our head and principal office is located at Suite 1000 – 355 Burrard Street Vancouver, British Columbia, V6C 2G8. Our registered and records office is located at Suite 2610 Oceanic Plaza, 1066 West Hastings Street, Vancouver, BC, V6E 3X1.

Exploration and Evaluation Assets

British Columbia

Princeton

Copper-gold-palladium-silver claims located 11 to 12 kilometres south of Princeton. In January 2008, certain of these claims were relinquished in consideration for which the options returned 50,000 common shares to us for cancellation. In October 2008 three new adjoining and contiguous claims were acquired.

Effective June 24, 2009 (the "Approval Date"), the TSX-V accepted for filing an option agreement between the Company and optionors of 19 new contiguous mineral claims to the Princeton claims. To acquire these claims, the Company paid $45,000 and issued 115,000 common shares valued at $12,450.

The option is subject to a 2% NSR, which the Company has the option to purchase by paying $100,000 for the first 1% NSR and $300,000 for the second 1% NSR.

On July 21, 2011, the Company entered into an agreement to purchase a 100% interest in five claim fractions with the boundaries of its Princeton claim group. To earn the interest, the Company paid $10,000 and issued 25,000 common shares valued at $12,500.

On August 19, 2009 we announced the completion of the First Phase exploration program on our 28 claims located immediately south-southeast of the Copper Mountain pits near Princeton, BC. Work consisted of establishing a 1,600 meter baseline, some road improvements, and hand trenching of 6 separate mineralized showings. One trench extended over a distance of 17 meters and exposed copper mineralization over the entire length. A company geologist examined all workings and took representative samples which have been sent to a lab for assay. The assay results, when ready, will help to determine Phase Two of the exploration program.

On March 4, 2010 we announced the results from the Phase One exploration program at the Princeton Copper Project located 1,500 meters south-southeast of Copper Mountain's Pit #3. Phase One was initiated in August of 2009, and focused on establishing a baseline, hand trenching at six mineralized showings and road improvements. Exploration was focused on two primary areas; Skagit and Tacoma Two.

The Skagit zone underwent significant historical trenching exploration approximately 30 years ago. A total of three samples were collected from this zone, results can be viewed in the table below. The zone contains abundant malachite and chalcocite on fractures, with historical sampling results of 0.56% Copper over 63 feet. This zone has never been drilled.

The Tacoma Two zone consists of two exploration areas, one lying 865 meters west-southwest of the Skagit zone, the second area being 480 meters west of Skagit. At the first area, a possible window of intrusive rocks within an area of Nicola volcanic rocks demonstrated copper mineralization. It is unknown if this is part of a dike or larger intrusion, and requires additional exploration efforts. The second zone explored at Tacoma Two is situated where a short historic shaft was sunk on copper mineralization in fractured Nicola volcanic rocks. Subsequent exploration will focus on existing areas of strong mineralization, and can be accomplished by excavating areas of interest to determine the extent and possible orientation. This zone has also never been drill tested.

The following table outlines the results of our exploration program, with a focus on copper, gold and silver occurrences.

Skagit-Tacoma Project, Princeton Area, BC

Sample Number	Easting	Northing	Sample Type	Sample Width	Cu %	Au g/t	Ag ppm	Mo ppm
SKG-01	681139	5462868	Chip	5.1 m	0.30	0.028	2.9	<2
SKG-02	681130	5462850	Grab	2x2 m	0.12	0.015	1.7	11
SKG-03	681143	5462889	Grab	30 m	0.34	0.022	3.5	<2
TAC 2-01	680318	5462597	Grab	2.0 m	0.60	0.453	1.7	21
TAC 2-02	680320	5462594	Chip	3.0 m	0.71	0.444	2.2	26
TAC 2-03	680320	5462594			2.71	1.145	7.0	62
TAC 2-04	680658	5462831	Grab	1.8 m	1.48	0.059	7.7	77
W09-01	681463	5463685	Chip	3x3 m	0.01	<0.005	<0.2	<2

On December 16, 2010, the Company announced the completion of the first drill hole. The first drill hole of the program, PR10-01, was drilled southerly at -45° and completed to a depth of 200 metres. It was designed to test the extent of copper mineralization beneath a monzonite outcropping containing chalcocite, chalcopyrite and malachite that returned assays of 0.3% Cu, 0.03 g/t Au and 2.9 g/t Ag.

From 3.3 to 40.0 metres the hole intersected fractured, altered and locally brecciated volcanic rocks of the Nicola Group. In this interval copper mineralization occurs as fracture-controlled malachite staining associated with disseminations of chalcocite, chalcopyrite and bornite in strongly brecciated, bleached and altered volcanic rocks.

Field supervision of the drill program is under the direction of Dasha Duba, MSc. The Company employs a QA/QC program that employs introduction of certified analytical standards and blanks as well as secure sample chain of custody of samples from drill to laboratory. Technical information contained in this news release was prepared under the supervision of Dasha Duba, MSc and has been reviewed by Warner Gruenwald, P.Geo who is a Qualified Person as defined under National Instrument 43-101.

On March 28, 2011, the Company announced the receipt of drill hole PT10-06 from the Princeton Copper / Gold / Palladium project located near Princeton, B.C. This hole is in close proximity to holes 1&2 (previously released January 31, 2011) and is part of a focused exploration program designed to target porphyry style mineralization hosted by Triassic Nicola Group island-arc volcanic assemblages and co-magmatic monzonite to diorite plutons at the Road and West (1km west) surface showings.

Results from Hole PT10-06 are as follows:

<table>
<tr><th>From</th><th>To</th><th>Cu%</th><th>Interval</th><th></th><th></th><th></th><th></th></tr>
<tr><td>106.50</td><td>109.00</td><td>0.444</td><td>2.50</td><td>|</td><td>|</td><td></td><td></td></tr>
<tr><td>109.00</td><td>111.50</td><td>0.536</td><td>2.50</td><td>|</td><td>|</td><td></td><td></td></tr>
<tr><td>111.50</td><td>113.80</td><td>0.362</td><td>2.30</td><td>|</td><td>|</td><td></td><td></td></tr>
<tr><td>113.80</td><td>116.20</td><td>0.317</td><td>2.40</td><td>|</td><td>2 INT</td><td></td><td></td></tr>
<tr><td>116.20</td><td>119.00</td><td>0.308</td><td>2.80</td><td>|</td><td>|</td><td></td><td></td></tr>
<tr><td>119.00</td><td>121.50</td><td>0.3</td><td>2.50</td><td>|</td><td>|</td><td></td><td></td></tr>
<tr><td>121.50</td><td>124.00</td><td>0.01638</td><td>2.50</td><td>|</td><td>|</td><td></td><td></td></tr>
<tr><td>dike
125.00</td><td>125.25</td><td>0.13121</td><td>0.25</td><td>1 INT</td><td></td><td>|</td><td></td></tr>
<tr><td>125.25</td><td>125.50</td><td>0.11111</td><td>0.25</td><td>|</td><td></td><td>|</td><td></td></tr>
<tr><td>125.50</td><td>125.75</td><td>0.226365</td><td>0.25</td><td>|</td><td></td><td>|</td><td></td></tr>
<tr><td>125.75</td><td>126.00</td><td>2.372</td><td>0.25</td><td>|</td><td></td><td>|</td><td>|</td></tr>
<tr><td>126.00</td><td>126.25</td><td>0.34594</td><td>0.25</td><td>|</td><td></td><td>3 INT</td><td>|</td></tr>
<tr><td>126.25</td><td>126.50</td><td>5.648</td><td>0.25</td><td>|</td><td></td><td>|</td><td>4 INT</td></tr>
<tr><td>126.50</td><td>126.75</td><td>16.425</td><td>0.25</td><td>|</td><td></td><td>|</td><td>|</td></tr>
<tr><td>126.75</td><td>127.00</td><td>7.416</td><td>0.25</td><td>|</td><td></td><td>|</td><td>|</td></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Average Grade</td><td></td><td>%cu</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td></td><td></td><td>0.71</td><td>@19.5m</td><td>#1 INTERVAL</td><td colspan="3">106.05-127.00</td></tr>
<tr><td></td><td>inc.</td><td>0.33</td><td>@17.5m</td><td>#2</td><td colspan="3">106.50-124.00</td></tr>
</table>

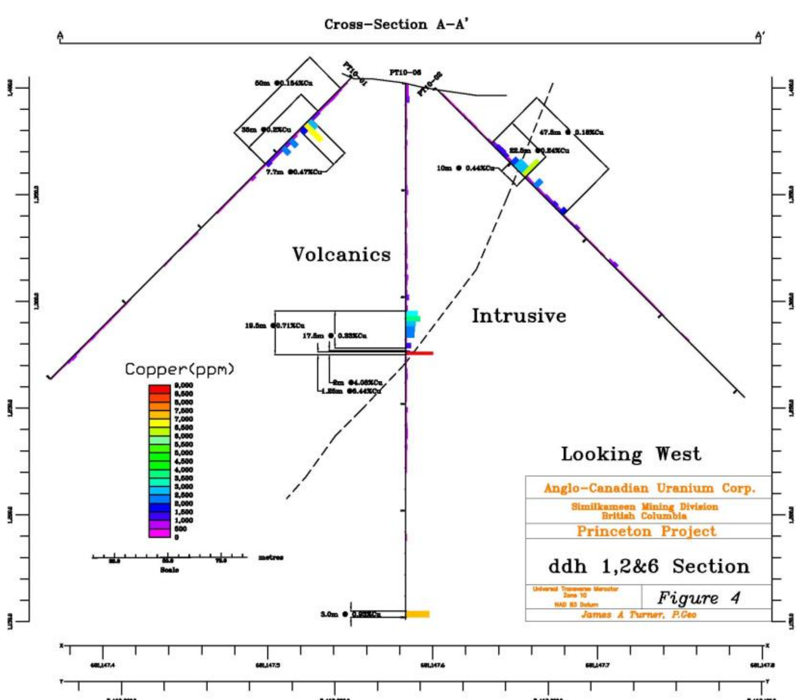
				INTERVAL	
	and	**4.08**	**@2.0m**	**#3 INTERVAL**	**125.00-127.00**
		6.44	**@1.25m**	**#4 INTERVAL**	**125.75-127.00**

Hole PT10-06 was logged by Richard Culbert, P.Geo., Phd.

Hole PT10-06, was drilled vertical (-90°), between holes 1&2 (figure 4 below) and completed to a depth of 251 metres. The first drill hole of the program, PT10-01, was drilled southerly at -45° and completed to a depth of 200 metres. The second drill hole, PT10-02 was collared about 50 m north of PT10-01 and drilled northerly at -45° to a depth of 205.0 metres. Both drill holes targeted the interpreted mafic volcanic-intrusive contact, known to host copper and precious metal mineralization in the nearby Copper Mountain deposit.

Hole PT 10-06 encountered Nicola group volcanics from 0 to 127 metres, with a thin 2m dike (Lost Horse) encountered from 127 to 129 metres. The copper mountain diorite continues to the end of the hole at 251 metres. Copper mineralization occurs over 19.5 metres starting at 106.5 metres. A thin felsic dike at 124 to 125 metres was not assayed. This section also contained anomalous amounts of nickel, cobalt and Molybdenum. A section from 247 to 250 metres near the bottom of the hole ran 0.93% Cu.

The majority of holes drilled to date have demonstrated copper mineralization characteristics including Nicola volcanics and sediments, copper mountain intrusives, lost horse dikes, alteration and sulphides similar to the Copper Mountain alkaline porphyry system.



The following is a summary of holes logged by David St. Clair Dunn. P.Geo., Phd:

``In summary, most of the core I logged was fine grained diorite intrusive or Nicola volcanics, both with varying amounts of propylitic alteration, minor pyrite and very minor chalcopyrite. This is what you would expect to see 0.5 to 1.5 kilometres from a copper porphyry ore body. There were also unaltered, post mineral felsic and lamprophyre dykes. More importantly, there were two intersections of a highly altered granitic dyke: Hole 11B 126.9m-137.8m and Hole 12 114.2m-116.1m. These dykes contained abundant pyrite and minor chalcopyrite in blebs, that is, not on fractures or in stringers. These two dykes are probably part of the Lost Horse Intrusives that are intimately associated with ore bodies in the Copper Mtn. mine. All of this leads me to believe that the Company is exploring too high in the porphyry system and that there could be mineralized bodies similar to those being developed at the Copper Mtn. mine at depth. Whether it is better to just deepen some holes down to 1,000 metres or it is best to first carry out deep penetration IP first is probably the critical question at this point.``

The above results demonstrate the Road showing hosts important copper mineralization and further drilling is planned to verify its' limits. The Company intends to complete a 3D-Induced Polarization survey in conjunction with drilling to further define this exciting mineralization encountered in the above section.

The Company employs a QA/QC program that employs introduction of certified analytical standards and blanks as well as secure sample chain of custody of samples from drill to laboratory. Technical information contained in this news release was reviewed by Jim Turner, P.Geo., and David St. Clair Dunn, P.Geo., Phd, who are Qualified Persons as defined under National Instrument 43-101.

On June 7, 2011 the Company announced the completion of a 25 line kilometer 3D IP & ground magnetic survey at the Princeton Copper / Gold Project located near Princeton, B.C. Both surveys were conducted with 100 meter spacing and stations at 12.5 meter intervals. This area lies contiguous with the Copper Mountain Mining claims, and is located 2.5 km from the proposed superpit within the Copper Mountain project area. The data is being evaluated and an interpretation report is expected prior to the end of the second quarter. The purpose of these surveys is to identify potential drill targets within the survey area. Other areas of the Company's large land position will be the subject of geophysical surveys in the future. The surveys were conducted by S.J. Geophysics Ltd. of Delta, B.C., and were previously announced on April 11, 2011.

A limited E.M. survey was conducted over the area drilled last fall and this spring. This will also be evaluated and new drill targets established.

Preliminary interpretation of the IP chargeability and resistivity inversions show chargeable anomalies on three areas of the grid. The largest and strongest is on the western portion of the grid and has dimensions of approximately 1.2 km x 500 m and is chargeable from surface to about 250-300m depth. There are coincident resistivity and magnetic anomalies in this area. Volcanics and sediments containing disseminated pyrite, pyrrhotite and chalcopyrite are mapped here. The newly constructed road showing described below occurs here.

A second anomaly occurs coincident with the drill section in which hole No 6 occurs. The chargeability anomaly extends to the north towards Copper Mountain`s Reifel Zone. In 3D, the anomaly trends under an intrusive sill that is mapped there.

A third chargeability anomaly occurs on the south-eastern part of the grid.

These anomalies represent areas of disseminated sulphide mineralization and might be copper ore bodies similar to those at the Copper Mountain mine. The Company plans to drill test these anomalies.

The results of the EM survey are not available at this time.

Recent road improvement work conducted by Copper Mountain Mining on roads transgressing the Company property has exposed some 100 meters of mineralization on the Company's claims. Copper mineralization is present and samples are being sent for analysis. Copper Mountain Mining intends to use this road to haul copper concentrate to shipping facilities.

David S. Dunn, P. Geo, is the qualified individual under NI 43-101 for the contents of this press release.

On November 2, 2011, the Company announced the receipt of mineral assays from its Princeton Copper Gold project located near Princeton, B.C. The Company completed 6 holes at the mineralization hosted by Triassic- Jurassic Nicola Group island arch volcanic assemblages and co-magmatic monzonite to diorite plutons. All holes were located in the Company's Haul Road Zone, located two kilometres south from the Copper Mountain Rifle and Oriole zones, and in close proximity to the Copper Mountain mill.

Diamond drill hole Pr-11-18, drilled on Anglo Canadian's (the Company's) Princeton property, intersected 102.72 metres grading 0.138% copper from surface. This hole is located in the Combination Zone on the Company's property approximately 22 km south of Princeton, B.C. and 4.0 km. south of Copper Mtn. Mines Ltd. 36,000 tonne per day mill and mining operation. The present cut-off grade at Copper Mtn.'s operation is 0.1% copper. Assay results from this drill program are as follows:

	Intersection (m)	Length (m)	% Copper
Pr-11-18	3.28-106	102.72 0.138	
	152-176	24	0.116
	210-220	10	0.079
	265-293	28	0.087
	313-319	6	0.288
Pr-11-15	118-136	18	0.117
Pr-11-16	55-59	4	0.289
	231-271	40	0.197
Pr-11-17	294-300	6	0.209
Pr-11-13	No significant Copper Values		
Pr-11-14	No significant Copper Values		

Pr-11-18 was drilled to 319 metres with the final assay being 0.336% copper at the bottom of the hole.

Hole Pr-11-15 was drilled in the Haul Road Zone, located approximately 1.7 km. west of the Combination Zone. Pr-11-16 was drilled vertically approximately 50 metres east of Pr-11-18. Hole Pr-11-17 was an extension of Pr-11-6, which intersected 19.5 metres of 0.71% copper from 124 to 148.15 and 3 metres of 0.93% copper from 248 to 251 metres. This hole is located approximately 50 metres east of Pr-11-16. This 70 metre extension was drilled mainly in intrusive rocks.

Discussions with Copper Mtn. staff have led to the decision to drill future holes at -50°, generally north, towards the copper mtn. intrusive / Nicola Volcanic contact. Most historic drilling completed by the Company to date has been vertical. Four more holes, totaling 1,000 metres, are planned for this month. One will be drilled near Pr-11-15 in the Haul Road Zone and three holes will be drilled near Pr-11-18 in the Combination zone. The grid area hosting the 3D-IP/Mag survey covers 1 km by 2.5 km's and is the focal area of drilling. The Company claims cover approximately 2200 hectares most of which adjoin the Copper Mountain claims.

The Company employs a quality assurance/quality control program that employs introduction of certified analytical standards and blanks as well as secure sample chain of custody of samples from drill to laboratory. Technical information contained in this news release was reviewed by David St. Clair Dunn, P. Geo, a qualified person as defined under National Instrument 43-101.

On December 7, 2011, the Company announced drill results from the Princeton Copper Gold Project located near Princeton, BC in close proximity to the Copper Mountain Mine. Drill assays have been received for 3 of 4 holes. All results have been processed by Acme Labs in Vancouver, BC. Results from these first 3 holes are as follows:

PR–11–21 was drilled -50 degrees northward toward the intrusive for a total length of 206.4 meters and contained the following:

Depth (meters)	Intersection (meters)	Cu (%)
10 – 42	32	0.212
57-67	10	0.190
70-103	33	0.137
108-146	38	0.564

Holes PR-11-19 and PR-11-20 were anomalous to highly anomalous and below 0.1% copper.

Holes PR-11-19 was drilled in the Haul Road zone, and holes PR-11-20, 21 and 22 were drilled in the Combination zone. Hole 19 was drilled 1.5 km's from hole 20. The grid area hosting the 3D-IP/Mag survey covers 1 km by 2.5 km's and is the focal area of drilling. The Company claims cover approximately 2200 hectares most of which adjoin the Copper Mountain claims. The Company has also received approval for an additional 15,000 meter drill program at Princeton which is expected to commence early in 2012, as previously announced on November 30, 2011.

The Company employs a quality assurance/quality control program that employs introduction of certified analytical standards and blanks as well as secure sample chain of custody of samples from drill to laboratory. Technical information contained in this news release was reviewed by David St. Clair Dunn, P. Geo, a qualified person as defined under National Instrument 43-101.

On February 7, 2012, the Company announced results from its Princeton Copper Gold Project located near Princeton, B.C. The Company has received the final assay from its 2010/11 drill program, the last hole being PR-11-22. This drill hole was completed at -70 degrees northward toward the Copper Mountain intrusive to a depth of 229 meters. Results from this hole are as follows:

Hole PR-11-22

Depth (meters)	Intersection (meters)	Cu (%)
27-38	11	0.1
64-70	6	0.5
194-208	14	0.16

This hole was drilled 50 meters east of vertical drill hole PR-11-21 which contained a 38 meter section grading 0.564% Copper, and west of drill hole PR-11-16 that produced 4 meters of 0.289% Copper and 40 meters of 0.197% Copper, as previously announced on November 2, 2011 and December 7, 2011. Holes 20 to 22 are located 50 meters apart in the Combination Zone. Discussions with Copper Mountain staff have led to the decision to drill future holes at -50 degrees, generally north, towards the Copper Mountain intrusive / Nicola Volcanic contact. Most historic drilling by the Company has been vertical.

The Company has a permit to complete an additional 15,000 meters of drilling which will take place as weather permits. Additional geologic mapping and geophysics are planned for the upcoming season, with drill holes planned to follow-up 3D chargeability anomalies. In addition, the majority of Company claims covering 2200 hectares adjoin the Copper Mountain claims.

The Company employs a quality assurance/quality control program that employs introduction of certified analytical standards and blanks as well as secure sample chain of custody of samples from drill to laboratory. Technical information contained in this news release was reviewed by James Turner, P. Geo, a qualified person as defined under National Instrument 43-101.

On August 28, 2012, the Company put out a news release announcing assays from its Princeton Copper Gold project located near Princeton, B.C. The Company completed 3 holes in mineralization hosted by Triassic-Jurassic Nicola Group island arch volcanic assemblages and co-magmatic monzonite to diorite plutons. Two holes were located in the Combination zone, located two km south of the Copper Mountain Rifle and Oriole zones, and within 4 km of the Copper Mountain mill.

Assay results from this drill program are as follows:

	Intersection (depth)	Length (meters)	Copper (%)	Silver (g/t)
PR-12-26	141-161	20	0.64	2.6
INC.	145-161	16	0.77	3.1
and	145-159	14	0.86	3.5
PR-12-27	33-39	6	0.44	1.9
	91-103	12	0.35	3.3
	151-164.5	13.5	0.14	1.0
	189.25-207.87	18.6	0.16	1.0

- PR-12-25 was drilled to 250.2 metres to the south at -60o and was not assayed.

PR-12-26 drilled on Anglo Canadian's Princeton property is located in the Combination Zone on the Company's property approximately 22 km south of Princeton, B.C. and 4.0 km. south of Copper Mtn. Mines Ltd. 36,000 tonne per day mill and mining operation. The present cut-off grade at Copper Mtn.'s operation is 0.1% copper. PR-12-26 was drilled to 261.2 metres to the north at -60o and was drilled to test the high grade section of hole PR-11-06.

PR-12-27 was drilled to 207.87 m to the north at -60o and bottomed in mineralization. Hole PR-12-27 was drilled 112 meters northeast of hole PR-12-26 in the direction of an historic mineralized shaft some 400 m to the west and some 800 m distance from the 3D IP / Mag high chargeability zone also further to the west. This entire 800 m has potential for mineralization as it is located on a contact between the Volcanics and the intrusive rocks. Hole PR-12-27 bottomed in the Lost Horse complex intrusive and drilling was terminated due to faulting. The Lost Horse Intrusive is generally thought to be the heat source that caused copper mineralization at the Copper Mountain Mine.

The Company has a permit for another 15,000 metres of drilling which will take place as weather permits. Drill holes are planned to follow-up 3D chargeability anomalies. Geologic mapping and geophysics are also planned for the coming season. SJV geophysics of Delta, B.C. is scheduled to conduct down hole EM (electromagnetic) tests on selected drill holes. This newly developed geophysical tool may help to determine positioning of our next drill holes.

The Company claims cover approximately 2200 hectares most of which adjoin the Copper Mountain claims.

On March 20, 2013, the Company announce that it has signed a Technical Assistance Agreement (the "Agreement") with Copper Mountain Mining Corp. (the "Advisor"). The Company owns 100% of approximately 2200 hectare of mineral claims adjacent to Copper Mountain's producing mine, located near Princeton B.C. The Advisor has offered to provide technical assistance gained through the exploration and mining operations of its property, which is expected to augment the Company's exploration efforts. In return for its technical assistance the, Advisor has been granted a First Right of Refusal to acquire the Company's Princeton Property. The Company reserves the right to negotiate with third parties on joint ventures, as well as selling its 100% interest in the property, while the First Right of Refusal allows the Advisor to match any third party purchase offer. The Agreement shall be in force until the end of 2013 but may be extended by mutual consent.

The Agreement does not constitute a required investment into the Property, however, the Company would consider direct investment offers from the Advisor.

The Company is pleased with recent chip samples, geophysics and diamond drilling results, and is encouraged to continue to explore the Property, which will include mapping and drilling with the goal of expanding higher-grade target-areas. The Company hopes to leverage the geological expertise of the Advisor with regards to exploration targets and exploration strategies. In addition, the Company hopes to increase exploration efficiency through shared costs on some exploration activities and equipment mobilization.

The Company has designed a 2013 drill program that includes both percussion and diamond drilling in order to effectively test existing targets and new targets indentified by it's 3D-IP/Mag survey. This program will commence once the snow melts which is expected by mid April.

On July 25, 2013, the Company announced that the drilling will commence at its 100% owned 2200 hectare Princeton Copper / Gold Project located adjacent to the Copper Mountain producing mine. Drilling will take place at the Combination Zone, and will focus on an area trending in a westerly direction from historic drill holes PR-12-26 and PR-12-27 which produced 20 meters of

0.64% Cu and 2.6 g/t Ag and 0.35% Cu and 3.3 g.t Ag respectively, as previously announced on August 28, 2012. This zone extends over an area of 600 meters with only the first 250 meters (EW) and the first 150 (NS) having been drill tested. Several drill holes on 25 meter centers will assist in further defining the mineralized zone. Drilling will commence the week of July 29, 2013.

The Company has drilled 24 holes on the "Combination Zone" of which +70% contained significant intervals of copper and silver mineralization. In addition to expanding this mineralized region, the Corporation will test key targets identified by the 2011 3D IP/Mag geophysical survey and in particular, the 900 meter long high chargeability target.

On September 12, 2013, the Company announced it has completed the first hole of the 2013 drill program at the Company's 100% owned Princeton Copper Gold Project located adjacent to the Copper Mountain mine near Princeton, British Columbia.

Hole # PR-28-13 was drilled on the Combination zone to a depth of 148 meters (488 ft). Three significant mineralized zones were intersected; the first zone was from 43 - 56 meters; the second zone was from 87 - 118 meters; and the third zone was from 118 -145 meters for a total of 71 meters (231 ft) of mineralization. Each mineralized zone was separated by primarily feldspar dykes. Mineralization consisted of chalcopyrite, pyrite, magnetite and evidence of chalcocite. The Lost Horse Intrusive was evident at three separate intervals and is mineralized with veins, veinlets and disseminated chalcopyrite and magnetite.

All drill core has been logged, split and delivered to Acme Labs Vancouver for analysis. Results will be published upon completion. Drilling is underway on hole PR-29-13, which was set up 50 meters from hole #28, and is designed to test possible depth extension.

On October 10, 2013, the Company is pleased to announce the assay results from the first hole of the 2013 drill program. Drill hole PR13-28 was drilled on the combination zone to a depth of 148 metres (488ft). This drill hole was located 125 metres (410 feet) west of hole PR12-26 which contained 20 metres of 0.64% copper and 2-6 GPT silver and 25 metres west of drill hole PR12-27 which contained 18.6 metres of 0.16% copper including 12 metres of 0.35 copper and 3.3 GPT silver.

Assay results from this hole are as follows:

	Intersection (m)	Length (m)	% Copper	gms Silver
PR13-28	88-114	26	0.21	1.0
inc	88-112	16	0.22	1.0
and	92-112	20	0.25	1.1
and	**100-112**	**12**	**0.35**	**1.5**

With the inclusion of hole PR13-28, the combination zone resource has been extended by 75 metres and now covers some 250 metres by 150 metres in size. A total of 25 holes have been drilled on this zone. Another target was identified when the Company conducted a 3D IP/Mag geophysical program. This large high chargeability target is more than 900 metres in length and approx. 500 metres in overall depth. This target is known as the “Haul Road” zone and will be the subject of the Company’s next drill program. Only one hole, PR11-15, was drilled near the north-west corner of the Haul Road zone and is 1.7 km south-west of PR13-28. It produced 2 intersections of 6 metres at 0.15% copper and 4 metres at 0.21% copper. Hole PR12-15 confirms the Haul Road zone contains copper mineralization.

The Company is awaiting results from PR13-29 which was drilled to the north at -60 degrees and collared 50 metres south of PR13-28, it was drilled to test the depth extension of #28. All results will be analysed in preparation for the next drill program. A NI 43-101 technical report is expected in the last quarter of 2013.

The technical portion of this announcement was approved by James A. Turner, P.Geo.

On December 3, 2013, the Company announced the assay results from the second, third and fourth holes of the 2013 drill program. Drill hole PR13-29 was drilled on the combination zone to a depth of 193.85 metres (636ft) and intersected gm Ag.(see release September 24, 2013). Hole 29 encountered a fault zone and did not reach the intended target.10 metres of 0.12 % Cu and 2 shorter intervals. This drill hole was located 50 metres (164 feet) south of Hole PR13-28 which contained 8.0 metres of 0.14% copper a 2.1 gms Ag and 26 metres of 0.23% copper and 1.0 gm Ag., and, included in this intersection was,12 metres of 0.35%Cu and 1.5

Drill Hole PR13-30 was drilled to a depth of 170.3 metres (558.7ft) and intersected three zones of 6, 10 and 12 metres with values of up to 6 m of 0.56 %Cu and 3.1 gms Ag. This drill hole is 50 metres west of Hole PR-28 which contained 26 metres (85.3ft) of 0.21%Cu and 1.0 gms Ag.

Drill Hole PR13-31 was drilled to a depth of 161.84 metres (531ft) and intersected two zones the of 4 metres of 0.46 %Cu and 1.7 gms Ag and 8 metres of 0.33% Cu and 2 gms Ag. This drill hole is 25 metres east of Hole PR-30. A short intersection in this hole ran 20 cm of 6.4% Cu and 16.6 gms Ag.

All four holes were drilled to the north at -60 degrees and they were drilled to test the results found in holes 26-27 and 20 and to further define the mineralized body.

Assay results from this hole are as follows:

	Intersection (m)	Length (m)	% Copper	gms Silver
PR13-29				
	69-70	1	0.4	4.0
and	151-161	10	0.12	-
inc.	157-161	4	0.15	1.0
PR13-30				
	46.8-52.8	6	0.56	3.1
	74-84	10	0.31	2.1
	102.5-114.5	12	0.22	1.6
PR13-31				
	96-100*	4	0.46	1.7
inc.	98-98.2	0.2	6.4	16.6
and	152-160	8	0.33	2.0

*Uncut and Weighted

With the inclusion of Holes PR13-29-31 the Combination Zone resource has been extended by 125 metres and now covers some 300 metres by 150 metres in size. A total of 28 holes have been drilled on this zone on the Company's property approximately 22 km south of Princeton, B.C. and 4.0 km. south of Copper Mtn. Mines Ltd. 36,000 tonne per day mill and mining operation. The present cut-off grade at Copper Mtn.'s operation is 0.1% copper and the average grade is 0.31%.

Three other were targets was identified when the Company conducted a 3D IP/Mag geophysical program. One target is a large high chargeability target more than 900 metres in length and approx. 500 metres in overall depth. This target is known as the "Haul Road" zone and will be the subject of the Company's next drill program. Only one hole, PR11-15, was drilled near the north-west corner of the Haul Road zone and is 1.6 km south-west of PR13-30 It produced 2 intersections of 6 metres at 0.15% copper and 4 metres at 0.21% copper. Hole PR12-15 confirms the Haul Road zone contains copper mineralization.

All three holes were drilled to the north at -60 degrees and they were drilled to test the results found in holes 26-27 and 20 and to further define the mineralized body.

All results will be interpreted in preparation for the next drill program. A NI 43-101 technical report is expected in the year of 2013.

James A. Turner, P.Geo., a Qualified Person, has read and approved this release.

Results of Operations for the period ended April 30, 2016 and 2015

Overview

For the period ended April 30, 2016 the Company incurred a net loss and comprehensive loss of $87,318 (2015 - $152,603). The Company expects to continue to incur losses for fiscal 2016 as exploration and evaluation assets are developed.

Expenses

Loss before income taxes for the nine month period ended April 30, 2016 totalled $87,318 (2015 - $152,603). Details of significant fluctuations in loss before income taxes are as follows:

- interest expense of $5,556 (2015 - $18,461). Interest expense decreased as a result of less loans in the current period compared to the same period in the prior year.
- deferred income tax recovery of $5,487 (2015 - $Nil). Deferred income tax recovery was due to a reduction in flow through share premium liability as a result of exploration expenditure.
- gain on debt settlement of $33,747 (2015 - $Nil). Gain on debt settlement was due to the settlement of accounts payable with one vendor.
- investor communications of $2,615 (2015 - $18,000). Investor communication decreased as a result of decrease in activity in marketing campaign in the current period.
- office and general expenses of $5,774 (2015 - $15,127). The decrease was due to lower activity during the current period compared to the same period in the prior year.
- regulatory fees of $14,140 (2015 – recovery of $521). Regulatory fees increased as a result of higher activity in the current period compared to the same period in the prior year.

- rent of $Nil (2015 - $6,455). The decrease is a result of the Company giving up its office space in the current period compared to the same period in the prior year.
- share-based compensation of $Nil (2015 - $5,491). The decrease is due to no stock option was granted in the current period as detailed in the notes of the April 30, 2016 financial statements.
- write-off exploration and evaluation assets of $Nil (2015 – $3,378). Please refer to Note 4 of the April 30, 2016 interim condensed consolidated financial statements for full details.

Loss before income taxes for the three month period ended April 30, 2016 totalled $30,053 (2015 - $24,931). Details of significant fluctuations in loss before income taxes are as follows:

- investor communications of $Nil (2015 - $4,000). Investor communication decreased as a result of decrease in activity in marketing campaign in the current period.
- professional fees of $5,182 (2015 – recovery of $11,388). The higher fees in the current period were primarily a result of an increase in accounting and legal fees in the current period.
- regulatory fees of $3,351 (2015 – recovery of $917). Regulatory fees increased as a result of higher activity in the current period compared to the same period in the prior year.
- consulting of $6,000 (2015 - $14,412). Consulting decreased due to no interest accrued during the current period.

Summary of Quarterly Results

The following table sets out selected consolidated quarterly information for the last eight quarters.

Three Months Ended	April 30, 2016	January 31, 2016	October 31, 2015	July 31, 2015
Interest Income	$ -	$ -	$ -	$ -
Exploration and evaluation assets	535	535	-	-
Deficit	21,562,356	21,532,303	21,516,984	21,475,038
Net Loss	30,053	15,319	41,946	2,637,493
Basic and Diluted Loss Per Share	0.00	0.00	0.00	0.05

Three Months Ended	April 30, 2015	January 31, 2015	October 31, 2014	July 31, 2014
Interest Income	$ -	$ -	$ -	$ -
Exploration and evaluation assets	2,596,100	2,596,100	2,563,100	2,562,900
Deficit	18,837,544	18,809,614	18,727,634	18,684,941
Net Loss	24,931	81,980	45,693	55,248
Basic and Diluted Loss Per Share	0.00	0.00	0.00	0.01

Liquidity and Capital Resources

The Company's cash and working deficit position as at April 30, 2016 compared to July 31, 2015 is as follows:

	April 30, 2016	July 31, 2015
Cash	$ 4,750	$ Nil
Working deficit	(1,227,316)	(1,139,463)

Management will pursue additional financing to finance our exploration and evaluation assets acquisition and exploration activities, and/or enter into joint venture agreements with third parties, as we do not generate any revenue from operations. Management believes that with our current cash and working capital position will sustain our reduced operations. There can be no assurance that financing will be available to us in the amount required at any time or for any period or, if available, that it can be obtained on terms satisfactory to us.

The long-term profitability will be directly related to the success of our exploration and evaluation assets acquisition and exploration activities.

We have no long-term debt obligations.

Transactions with Related Parties

Key management compensation includes all fees paid or accrued to officers and/or directors described in this note. Except as disclosed elsewhere in these financial statements, related party transactions incurred during the period ended April 30, 2016 were as follows:

i) Management fees totaling $45,000 (2015 - $55,800) and office and general expenses of $10,800 (2015 - $Nil) were accrued to the Chief Executive Officer, who is also a director, of the Company. At April 30, 2016, $492,163 (July 31, 2015 - $441,143) was owed to this related party recorded as accounts payable.

Also included in accounts payable and accrued liabilities at April 30, 2016 was $19,643 (July 31, 2015 - $19,643) due to an officer and director.

Amounts due to related parties are unsecured, non-interest-bearing and due on demand.

Included in loan payable at April 30, 2016 was $2,500 (July 31, 2015 - $2,500) due to an officer and director.

Share Capital

Our authorized share capital consists of an unlimited number of common shares without par value.

As at June 27, 2016 the Company had 58,946,611 common shares outstanding. In addition the Company had stock options to purchase up to an aggregate of 4,045,000 common shares at exercise prices ranging from $0.05 to $0.15.

Risks and Uncertainties

The carrying values of the Company's cash, reclamation bonds, accounts payable and accrued liabilities, loans payable and advances from related parties approximate their value due to their short-term nature.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below.

Credit Risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations.

The Company's credit risk is primarily attributable to its holdings of cash and reclamation deposits. The carrying amounts of these financial assets represent the maximum credit exposure. The Company manages credit risk by placing its cash with major financial institutions in conservative cash-based liquid investments. Reclamation bonds are held with state or provincial government authorities. The Company monitors its exposure to credit risk on an ongoing basis.

Liquidity Risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they become due. The Company's approach to managing liquidity risk is forecasting cash flows from operations and anticipated investing and financing activities.

Accounts payable have maturities of 90 days or less and are subject to normal trade terms. Advances from related party are due on demand.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. The risks to which the Company is exposed are:

(i) Interest rate risk

The Company is not exposed to significant interest rate risk.

(ii) Foreign currency risk

The Company's functional currency is the Canadian dollar. Consequently, fluctuations of the Canadian dollar in relation to other currencies impact the fair value of financial assets and liabilities and operating results. The Company does not manage currency risks through hedging or other currency management tools.

As at April 30, 2016, the Company did not have any significant financial instruments subject to currency risk denominated in United States.

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk. The Company is not exposed to significant other price risk.

Our principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risks, but not limited to, environmental, metal prices, political and economical. Although we have taken steps to verify the title to exploration and evaluation assets in which we have an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee title. Property titles may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

We have no significant sources of operating cash flow and no revenue from operations. Additional capital will be required to fund our exploration program. The sources of funds available to us are the sale of marketable securities, sale of equity capital or the offering of an interest in its project to another party. There is no assurance that we will be able to obtain adequate financing in the future or that such financing will be advantageous to us.

The property interests owned by us or in which we have an option to earn an interest are in the exploration stages only, are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, which are explored, are ultimately developed into producing mines. Exploration of our mineral exploration may not result in any discoveries of commercial bodies of mineralization. If our efforts do not result in any discovery of commercial mineralization, we will be forced to look for other exploration projects or cease operations.

We are subject to the laws and regulations relating to environmental matters in all jurisdictions in which we operate, including provisions relating to property reclamation, discharge of hazardous materials and other matters. We may also be held liable should environmental problems be discovered that were caused by former owners and operators of our properties in which we previously had no interest. We conduct its mineral exploration activities in compliance with applicable environmental protection legislation. We are not aware of any existing environmental problems related to any of our current or former properties that may result in material liabilities to us.

Dependence on Management

We are dependent on a relatively small number of key personnel, the loss of any of whom could have an adverse effect on our business. We do not maintain key employee insurance on any of our employees.

Off-Balance Sheet Arrangements

We did not enter into any off balance sheet transactions or commitments as defined by NI 51 –102.

Non-Binding Memorandum of Understanding for Private Placement

During the period ended April 30, 2016, the Company signed a non-binding memorandum of understanding (the "MOU") with a strategic third party investor (the "Investor"). Pursuant to the MOU, the Investor has agreed to complete a private placement of post-consolidation (as defined below) common shares of the Company at price of $0.10 per post-consolidation common share to raise gross proceeds of not less than $750,000 and not more than $1,000,000. Upon completion of the Private Placement, the board of directors of the Company would be re-constituted and would be comprised of six directors, including four nominees of the Investor.

Completion of the Private Placement is subject to several conditions described below. There is no guarantee that the Private Placement will be completed on the terms contained in the MOU or at all.

It is a condition to completion of the Private Placement that the Company complete a consolidation of its outstanding common shares on a 10:1 basis. As the Private Placement would result in the Investor holding more than 20% of the outstanding common shares of the Company, approval of the Company's shareholders is required. In addition, it is a condition to completion of the Private Placement that the majority of the Company's creditors agree to accept a reduced payment of $0.25 for each $1.00 owed by the Company (the "Debt Settlement"). The Private Placement also remains subject to the approval of the TSX Venture Exchange.