TSX.V: ELN   OTC Pink: ELNOF   FRANKFURT: E7QN

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EL NINO VENTURES INC.

MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED 31 JANUARY 2017

29 May 2017

The following management discussion and analysis ("MD&A") should be read in conjunction with the audited financial statements and accompanying notes ("Financial Statements") of El Nino Ventures Inc. (the "Company") for the year ended 31 January 2017. Results have been prepared using accounting policies in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All monetary amounts are reported in Canadian dollars unless otherwise indicated.

For further information on the Company reference should be made to the Company's public filings which are available on SEDAR. Further information is also available on the Company's website at www.elninoventures.com .

This MD&A contains forward-looking information. See "Forward-Looking Information" and "Risks and Uncertainties" for a discussion of the risks, uncertainties and assumptions relating to such information.

1. Overview of the Company

El Nino Ventures Inc. (the “Company”, “ELN”) was incorporated on 19 February 1988 under the laws of the Province of British Columbia, Canada. The Company is an exploration stage company engaged in the acquisition, exploration and development of mineral properties in Canada. The Company has its registered corporate office based in Vancouver, British Columbia, Canada.

As at 31 January 2017, the Company had 61,611,966 common shares outstanding, with a total market capitalization of approximately $1,848,359. The Company shares trade on the TSX Venture Exchange (“ELN”), OTC Pink (“ELNOF”) and the Frankfurt Stock Exchange (“E7Q”).

The Company is focusing its efforts on developing and growing its asset base. The Company with its partner, Glencore Canada Corporation (“Glencore”) formerly Xstrata Canada Corporation, optioned its extensive claims in the Bathurst Mining Camp, New Brunswick, to Votorantim Metals Canada Inc. (“VM Canada”) who can earn up to 70% of the claims by spending $20 million on exploration. During the previous year ended 31 January 2015, VM Canada relinquished its option to earn interest in the property.

The Company’s second project in New Brunswick is the Murray Brook Project which is located 60 km west of Bathurst, in the northwest part of the Bathurst Mining Camp. The Murray Brook deposit is a zinc-lead-copper-silver massive sulphide which is the subject of a recently completed Preliminary Economic Assessment. The project is supported by excellent infrastructure including paved roads, grid electricity and communities to provide goods, services and skilled labour. ELN currently owns 31.59% of the Murray Brook Project and VMC is the operator.

The Company is continuing to pursue acquisitions globally.

1.1 - Overview of Company’s Projects

Bathurst JV Base Metals Project (the “BJVP Project”) (Previously Bathurst Mining Camp Project and BOJV);

The BJVP Project consists of various claims owned 50%:50% between ELN and Glencore in the prolific Bathurst Mining Camp of New Brunswick, Canada. The Joint Venture seeks a 3rd party partner to explore and develop its properties.

The Joint Venture consists of 21 claims (1441 Claim Units) covering 29,830 hectares and owned 50%:50% by ELN and GCC in the prolific Bathurst Mining Camp. The GCC 100% owned land consists of 18 claims (631 claim units) covering approximately 13,560 hectares (Figure below). The claims collectively overlie seven zinc-lead sulphide mineralized occurrences, all of which remain open to exploration. In addition, the joint venture recently received the results of a state-of-the-art airborne gravity survey by Fugro GeoServices Ltd.

and a proprietary computer-aided (CARDS) targeting program conducted by DIAGNOS Inc. The majority of the 160 CARDS Targets remain to be explored.

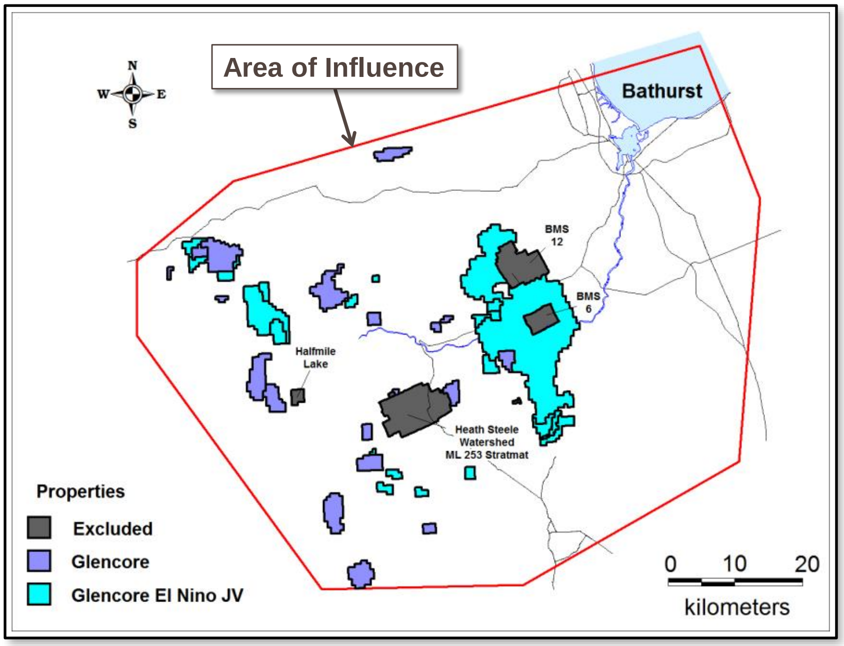

Figure. Bathurst Joint Venture Land Position in the Bathurst Mining Camp.

Sequence of events: In January 2009, VM Canada entered into a binding MOU with Xstrata Zinc and the Company to pursue an Option-Joint Venture Agreement, whereby VM Canada may earn up to a 70% interest in those properties by making exploration expenditures of $20 million over a period of seven years. Following a six-month period of due diligence, the companies entered negotiations to reach a final Option-Joint Venture Agreement which was concluded in July 2010. Meanwhile, VM Canada commenced exploration in August 2009 with a program of airborne and surface geophysical surveys, geochemistry, geological mapping, compilation of historical data and research into advanced exploration technologies suitable for application in the BJVP. In the early part of 2010, VM Canada made application to the Government of New Brunswick ("GNB") for financial assistance to apply new exploration methods. An Advanced Exploration Agreement ("AE Agreement") between the GNB and VM Canada was executed in late September, 2010 regarding the implementation of a program that would match VM Canada's exploration expenditures with GNB contributions. These expenditures are to be no less than $1 million and no more than $10 million per year for five years, for a maximum, total, GNB contribution of up to $7.5 million. GNB expenditures together with VM Canada's expenditures would therefore result in exploration expenditures of up to $17.5 million over the life of the AE Agreement. The effective date of this agreement is 1 April 2010.

In February 2011, VM Canada commenced the $10 million exploration program consisting of airborne and ground geophysics and drilling.

A Fugro Airborne Survey was completed over two large areas in the BJVP in May 2011. This was the first ever commercial survey using the 'Falcon' Gravity Gradiometer in a helicopter platform.

On 24 April 2012, the Company provided the results of a $859,000 exploration program in H2-2011, consisting of airborne and surface geophysical surveys, geological mapping, compilation of historical data and research into advanced exploration technologies suitable for application in the BJVP. This program was fully funded by VM Canada.

ELN and Glencore plan to find a Joint Venture partner to further develop the Bathurst Joint Venture Project.

Murray Brook Project

On 1 November 2010 VM Canada entered into an Option and Joint Venture Agreement (the "OJV Agreement") with privately held companies, Murray Brook Minerals Inc. and Murray Brook Resources Inc. (collectively, "MBM"), which provided for VM Canada to earn 50% of the Murray Brook project consisting of the Murray Brook Mining Lease No. 252 and the Camel Back Claims Block No. 4925 (the "Properties").

Under the OJV Agreement, VM Canada can earn a 50% interest in the Properties by funding $2,250,000 in exploration expenditures and making payments totaling $300,000 over a three-year period that commenced 1 November 2011. VM Canada can earn an additional 20% interest in the Properties by funding an additional $2,250,000 in exploration expenditures over an additional two-year period.

On 3 January 2011, VM entered into a participation agreement with ELN whereby the Company could earn a 50% interest in VM's interest in the Murray Brook by paying 50% of all exploration expenditures incurred and other payments made by VM.

On 1 April 2012, VM and the Company entered into an acknowledgement of earned interest and joint venture formation and agreed that the joint venture was created as of 1 April 2012, and such date is the "Joint Venture Date" for purposes of the Murray Brook Agreement.

On 11 May 2012 the Company and VM Canada earned the 50% interest from MBM. ELN and VM Canada completed the funding for earning the additional 20% interest and have given valid notice to MBM that they have earned in for the additional 20% resulting in ELN and VM Canada each having a 35% interest in the Properties.

On 28 August 2012, VM Canada entered into a share purchase agreement (the "Purchase Agreement") with MBM to acquire the remaining 30% interest in the Murray Brook Property. The Purchase Agreement also made available to the Company the opportunity to acquire 50% of the interest purchased by VM Canada (being 15% of the Murray Brook property). Due to market conditions, the Company elected not to acquire the additional 15% interest in the Murray Brook property.

As of 31 May 2014 El Nino contributed $2,751,511.98 as its proportionate share of the expenses on the Murray Brook project. Since that date, El Nino has not contributed any further funds towards those expenses. Unless the Company can raise sufficient capital to address these expenses and make payment to VM Canada, it will be subject to dilution of its interest in the Murray Brook project.

On 1 July 2015, the Company and VM Canada signed an Acknowledgement and Agreement relating to Dilution of Joint Venture Interest, whereas the parties have agreed that the amount of $121,348.40 owing by ELN from VM Canada shall be satisfied in full by the dilution of ELN's interest in the Joint Venture, with the result that, as of 1 July 2015, the parties acknowledge and agree that ELN has a 34.23% undivided beneficial interest in the Joint Venture. As at 31 January 2017, the Company interest in the Murray Brook property is further diluted to 31.59%.

ELN is currently pursuing an amended joint venture agreement with VM Canada that better reflects the common interests of both parties and addresses specific issues that ELN feels is necessary going forward.

The Murray Brook deposit is a polymetallic, volcanic hosted massive-sulfide deposit and is the fifth largest deposit in the Bathurst Mining Camp (BMC) with open pit mining potential. The property is located approximately 60 km west of Bathurst, New Brunswick, in Restigouche County, within the BMC. An existing gravel road accesses the property from a paved highway. The electricity grid is nearby, as are communities with goods, services and skilled labour. The gossan zone was removed during the open-pit mining operations carried out by Novagold Resources Inc. during the early 1990s. The hanging wall is moderately chloritic and is locally intensely deformed. The footwall consists of fine grained, felsic tuff and tuffaceous sediments with moderate to strong chlorite and sericite alteration. Sulfides are mainly fine grained, massive, vaguely laminated pyrite with disseminated and banded sphalerite, chalcopyrite and galena. Removal of the gossan also removed any evidence of previous drilling within the shallow pit area. Consequently, VM Canada's due diligence process to acquire the Murray Brook deposit required the confirmation of several historically reported drill results in addition to compilation of previous work. Significant drill results from the due diligence, drill twin-hole program included massive-sulfide intersections that were similar in width, position and positively confirmed the grades for copper ("Cu"), lead ("Pb"), zinc ("Zn") , gold ("Au") and silver ("Ag") reported from the three previously drilled holes.

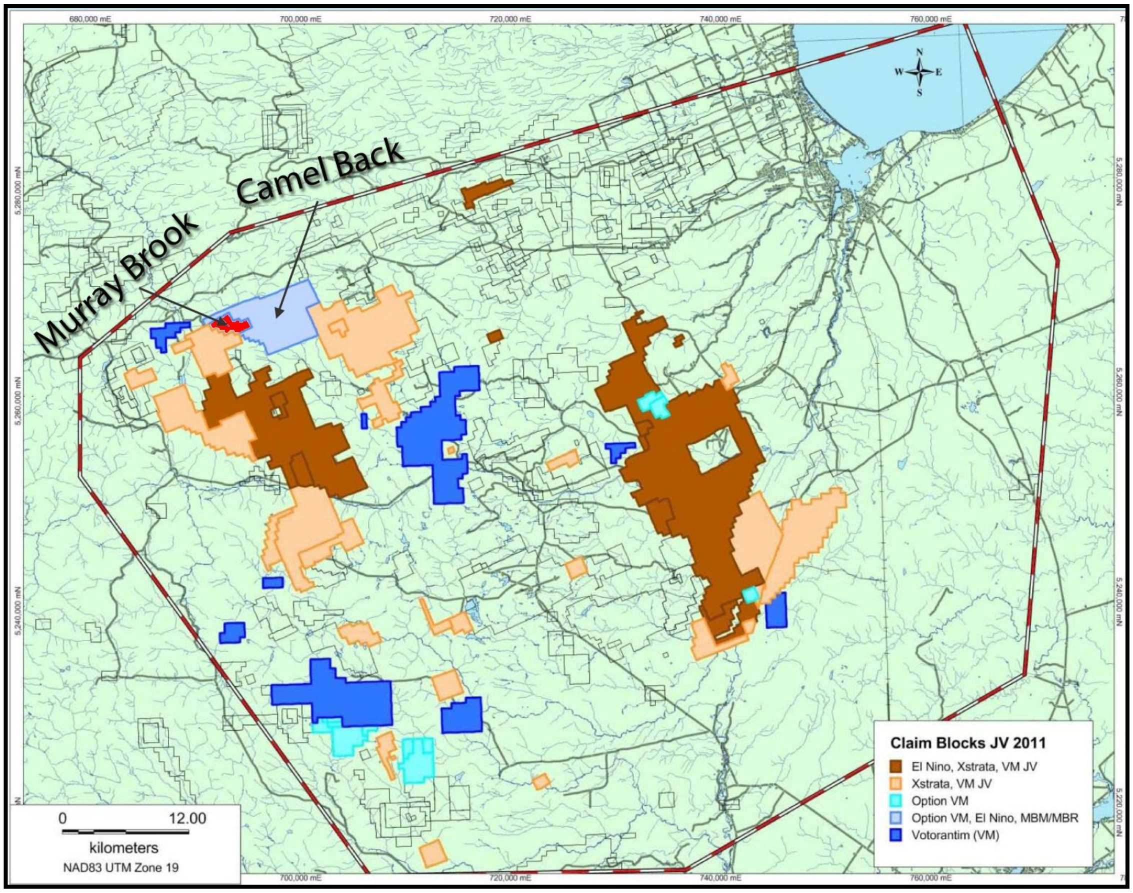

Figure 1-Land tenure map showing the location of the Murray Brook Project in the BMC

In 2011, the Company and VM Canada spent $2.1 million on exploration. The entire 2011 program consisted of 60 vertical drill holes, totaling 10,327.5 m. The 2011 drill program was designed to start on the south, near-surface, portion of the deposit where thick, massive sulfide intercepts of high-grade zinc were recorded in historic drilling. The drill program then moved to the north, to systematically test deeper portions of the massive sulfide body. The 2011 drill program was successful in defining the deposit in areas of low drill-density, confirming higher grade intercepts in historic drilling, and delineating the margins of the massive sulfide body. **Tables 4 and 5** show significant drill results from 2011 and 2012 drilling program respectively.

Murray Brook's 2012 exploration program is budgeted for $3.0 Million and consists of a multi-phase drill program and a National Instrument 43-101, *Standards of Disclosure for Mineral Projects* ("NI 43-101") compliant resource estimate with preliminary tonnage and grade calculations. This study was completed and announced on 28 February 2012.

On 25 October 2016, the Company executed an asset sale agreement with Puma Exploration (PUM:TSX-V) to relinquish its interest in the Murray Brook Zn-Pb-Cu-Ag Volcanogenic Massive Sulphide ("VMS") deposit located in the Bathurst Mining Camp ("BMC") of northern New Brunswick. The Murray Brook property consists of Mining Lease 252 and contiguous Mineral Claim Block 4925 (245 claims) located 11 km west of the producing Caribou Mine, which is owned and operated by Trevali Mining Corporation. The aforementioned transactions are expected to close on or about 20 January 2017. El Nino's joint venture partner Votorantim Metals Canada Inc. on the Murray Brook Project has also optioned their total interest of the Murray Brook Project to Puma.

Terms of the Transaction and Payments to El Nino from Puma

- $50,000 non-refundable deposit to be paid 10 days following the waiver of the ROFR from El Nino. This deposit becomes binding on receipt of the waiver of the ROFR from El Nino (received)
- $600,000 upon closing of this transaction (no later than 30 April 2017)
- $400,000 payable six (6) months after the closing (no later than 30 October 2017)
- $1,000,000 payable twelve (12) months from closing (no later than 30 April 2018)
- $1,000,000 payable twelve (24) months from closing (no later than 30 April 2019)
- El Nino will be given the right to buy 2,000,000 warrants of Puma's ordinary shares expiring 3 years after the closing of the transaction based on the following exercise prices:

(1) 0 to Year 1 (30 April 2018): Equal to the price of the acquisition equity financing;
(2) Year 1 to Year 2 (30 April 2019): a 20% premium to the price indicated in (1) above;
(3) Year 2 to Year 3: a 20% premium to the price indicated in (2) above.

El Nino will receive a laddered Net Smelter Return on Production (NSR) starting at 0.25% at a zinc price of US$1.04/lb and increasing, in increments of 0.25%, to a maximum of 1.75% above US$1.50/lb Zn in relation to 32% of the production from the Murray Brook Property, which includes the Mining Lease and the Camel Back claims, for the life of the Murray Brook deposit and any new discovery made on the total project.

Votorantim Metals Canada Inc. will retain title to the project as security until the assumption of the environmental liability has been completed by Puma and Votorantim Metals Canada Inc.'s and El Nino's liability is released by the Government of New Brunswick.

On 10 May 2017, by mutual agreement El Nino and Puma have amended and restated the original agreement.

Asset Purchase Agreement dated 25 October 2016.
Terms of the Transaction and Payments to El Nino from Puma:

- $50,000 non-refundable deposit to be paid 10 days following the waiver of the ROFR from El Nino. This deposit becomes binding on receipt of the waiver of the ROFR from El Nino (received);

- $250,000 cash and the issuance of 5,000,000 shares (received);

- 2,000,000 warrants at the Closing Time, which warrants will give ELN the right to buy 2,000,000 ordinary shares in the capital of Puma at any time within the thirty-six (36) month period after the Closing Date for the following exercise prices:

    i. 0 to Year 1 (15 November 2017): Equal to the price of the acquisition equity financing;
    ii. Year 1 to Year 2 (15 November 2018): a 20% prmium to the price indicated in 1) above;

iii. Year 2 to Year 3: a 20% premium to the price indicated in 2) above

- $400,000 cash six (6) months after the Closing Date in the event Puma raises an additional $1,000,000 within the first six (6) months or the amount of $500,000 twelve (12) months after the Closing Date;
- $1,000,000 cash twelve (12) months after the Closing Date;
- $1,000,000 cash twenty-four (24) months after the Closing Date;
- Net Smelter Return Royalty as set out in Section 2.3 of the Agreement;
- Puma assuming all liabilities relating to the conduct of the Murray Brook Project from and after the Closing Date and all liabilities of vendor under the Murray Brook Agreements.

1. Going concern

The Company had cash and cash equivalents of $211,615 at 31 January 2017 (2016: $15,350), but management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive, or raise additional debt and/or equity capital. The business of mineral exploration involves a high degree of risk and there is no assurance that current exploration projects will result in future profitable mining operations. The Company earns no operating revenues and has a working capital of $109,934 as at 31 January 2017 (2016: $65,390, deficit). The Company will incur further losses in the development of its exploration business and it also has significant cash requirements to meet its administrative overhead, pay its liabilities, maintain its mineral interests and has a lack of sufficient committed funding for the next 12 months. The Company will become insolvent if it fails to raise additional debt or equity capital to finance its ongoing capital needs and there is no assurance that the Company will be successful in obtaining such financing. This situation casts doubt upon the Company's ability to continue as a going concern.

Management plans to raise funds through equity financing and/or joint venture arrangements to meet its commitments; however there is no certainty that it will be able to do so. If the Company is unable to raise additional capital in the immediate future, management expects that the Company will become insolvent and will need to curtail operations, liquidate assets, seek additional capital on less favorable terms and/or pursue other remedial measures or cease operations.

Management is aware, in making its assessment, that these matters indicate the existence of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

2. Litigation

In 2007, ELN entered into a joint venture with GCP Group, a minority shareholder, in Infinity Resources Sprl, to explore and develop the copper/cobalt Kasala Permits in the DRC. Since December of 2009, GCP and its principals George Kavvadias and Alexander Voukavitch have launched a campaign of fraudulent legal claims against the Company and its officers in order to illegally transfer the Kasala permits into a company controlled by Mr. Kavvadis and Mr. Voukavitch.

After a great deal of deliberation, the Company's Directors and management recognizing the futility in continuing to seek justice in the DRC, have made the decision that the Company will not continue to fund the ongoing legal battle in the DRC and will rely on enforcing the International Commercial Arbitration decision to counter any attempt by Mr. Kavvadias and Mr. Voukavitch to profit from the illegal transfer of the Kasala permits. Without the support of the courts and officials in the DRC to enforce the Company's rights, the Company may now be forced to suspend its efforts in the DRC to retain and advance the assets of its joint venture company; Infinity Resources Sprl.

3. Selected Annual and Quarterly Financial Information

Selected Annual Information

Unless otherwise noted, all currency amounts are stated in Canadian dollars. The following table summarizes selected financial data for ELN for each of the three most recently completed financial years. These information set forth below should be read in conjunction with the consolidated audited financial statements, prepared in accordance with IFRS, and related notes.

	Years Ended 31 January (audited)		
	2017	2016	2015
Total revenues	$ -	$ -	$ -
General and administrative expenses	305,672	77,996	474,878
Mineral property cash costs received (incurred)	50,000	-	(51,824)
Income (loss) before other items in total	(306,850)	(77,996)	(474,878)
Net income (loss)	(566,657)	49,895	(8,920,385)
Net income (loss) per share – Basic & fully diluted	(0.011)	0.001	(0.259)
Totals assets	217,790	16,122	45,328
Total long term liabilities	-	-	-
Cash dividends declared per share	Nil	Nil	Nil

Selected Quarterly Financial Information

The following selected financial information is derived from the unaudited interim consolidated financial statements of the Company. The figures have been prepared in accordance with IFRS.

	For the Quarters Ended (unaudited)							
	31 Jan 2017	31 Oct 2016	31 Jul 2016	30 Apr 2016	31 Jan 2016	31 Oct 2015	31 Jul 2015	30 Apr 2015
Total revenues	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net income (loss)	(534,794)	37,136	(60,685)	(8,314)	92,659	(34,449)	(14,599)	6,285
Net income (loss) per share	(0.010)	0.001	(0.001)	(0.000)	0.002	(0.001)	(0.000)	0.000
Total assets	217,790	277,039	386,771	16,122	16,122	171,900	94,858	73,455

Results of Operations

For the year ended 31 January 2017

The year ended 31 January 2017, resulted in a net loss from operations of $566,657, which compares to net income of $49,895 for the same period in 2016. The decrease of $616,553 was mainly attributable to the net effect of the following:

- Increase of $13,198 in accounting and audit. Cost of $35,154 for the year ended 31 January 2017 compared to $18,956 for the same period in 2016.

- Increase of $137,711 in consulting fees. Cost of $158,837 for the year ended 31 January 2017 compared to $21,126 for the same period in 2016.

- Decrease of $5,105 in legal fees. Cost of $Nil for the year ended 31 January 2017 compared to $5,105 for the same period in 2016.

- Increase of $3,724 in marketing and communication. Cost of $11,523 for the year ended 31 January 2017 compared to $7,799 for the same period in 2016.

- Increase of $31,190 in office and miscellaneous. Cost of $35,665 for the year ended 31 January 2017 compared to $4,475 for the same period in 2016.

- Increase of $9,145 in rent. Cost of $10,827 for the year ended 31 January 2017 compared to $1,682 for the same period in 2016.

- Decrease of $2,271 in share-based payments. Cost of $Nil for the year ended 31 January 2017 compared to $2,271 for the same period in 2016.

- Increase of $4,082 in telephone and utilities. Cost of $5,768 for the year ended 31 January 2017 compared to $1,686 for the same period in 2016.

- Increase of $15,452 in transfer agent and regulatory fees. Cost of $27,108 for the year ended 31 January 2017 compared to $11,656 for the same period in 2016.

- Increase of $21,220 in travel, lodging and food. Cost of $22,610 for the year ended 31 January 2017 compared to $1,390 for the same period in 2016.

- Increase of $17,511 in impairment of exploration and evaluation properties. Cost of $212,050 for the year ended 31 January 2017 compared to $194,539 for the same period in 2016.

- Increase of $62,108 in recovery of provision for legal costs. Recovery of $Nil for the year ended 31 January 2017 compared to $62,108 for the same period in 2016.

- Decrease of $34,387 in settlement of accounts payable by dilution of mineral property interest. Recovery of $225,935 for the year ended 31 January 2017 compared to $260,323 for the same period in 2016.

- Increase of $163,635 in gain on settlement of debt. Recovery of $163,635 for the year ended 31 January 2017 compared to $Nil for the same period in 2016.

- Decrease of $438,505 in loss on issuance of common shares. Cost of $438,505 for the year ended 31 January 2017 compared to $Nil for the same period in 2016.

4. Cash flow, Liquidity and Capital Resources

During the year ended 31 January 2017, the Company's working capital, defined as current assets less current liabilities, was $109,934 compared to $65,390-deficit as at 31 January 2016. The Company has a total 61,611,966 common shares issued and outstanding as at 31 January 2017.

Cash outflows for operating activities for the year ended 31 January 2017 were $306,850 (2016: $60,742) and consist of corporate costs.

Cash inflows for investing activities for the year ended 31 January 2017 were $50,000 (2016: $44,809) from exploration and evaluation option payments.

Cash inflows for financing activities for the year ended 31 January 2017 were $453,115 (2016: $Nil) from non-brokered financing through private placement.

Capital Risk Management

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements, continue the exploration of its mineral properties.

The Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for general administration costs, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

The Company is not subject to any externally imposed capital requirements. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

5. Contractual Obligations

The Company has no remaining contractual obligations under any of its property option agreements.

6. Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

7. Related Party Transactions

The related party transactions during the year ended 31 January 2017, which occurred in the normal course of operations and were measured at the exchange amount (the amount of consideration established and agreed to by the related parties), were as follows:

> During the year ended 31 January 2017, the Company paid and/or accrued $2,952 and $25,710 (2016: $20,876 and 7,934) for consulting and shared office costs, respectively to Pacific North West Capital Corp. ("PFN"), a company with common directors and officers.

8. Critical Accounting Estimates and Risks & Uncertainties

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments and share-based payments, the recognition and valuation of provisions for decommissioning liabilities, the carrying value of exploration and evaluation properties, the recoverability and measurement of deferred tax assets and liabilities and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

Foreign Political Risk

The Company explores and develops its projects, located in the DRC, and as such, are exposed to various degrees of political, economic and other risks and uncertainties. The Company's operations and investments may be affected by local political and economic developments, including expropriation, nationalization, invalidation of government orders, permits or agreements pertaining to property rights, political unrest, labour disputes, limitations on repatriation of earnings, limitations on mineral exports, limitations on foreign ownership, inability to obtain or delays in obtaining necessary mining permits, opposition to mining from local, environmental or other non-governmental organizations, government participation, royalties, duties, rates of exchange, high rates of inflation, price controls, exchange controls, currency fluctuations, taxation and changes in laws, regulations or policies as well as by laws and policies of Canada affecting foreign trade, investment and taxation.

Government Laws, Regulation & Permitting

Mining and exploration activities of the Company are subject to both domestic and foreign laws and regulations governing prospecting, development, production, taxes, labour standards, occupational health, mine safety, waste disposal, toxic substances, the environment and other matters. Although the Company believes that all exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing the operations and activities of the Company or more stringent implementation thereof could have a substantial adverse impact on the Company.

The operations of the Company will require licenses and permits from various governmental authorities to carry out exploration and development at its projects. There can be no assurance that the Company will be able to obtain the necessary licenses and permits on acceptable terms, in a timely manner or at all. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities.

Estimates of Mineral Resources

The mineral resource estimates contained in this MD&A are estimates only and no assurance can be given that any particular level of recovery of minerals will in fact be realized or that an identified resource will ever qualify as a commercially mineable (or viable) deposit which can be legally or commercially exploited. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material.

If the Company's exploration programs are successful, additional funds will be required in order to complete the development of its properties. There is no assurance that the Company will be successful in raising sufficient funds to meet its obligation or to complete all of the currently proposed exploration programs. If the Company does not raise the necessary capital to meet its obligations under current contractual obligations, the Company may have to forfeit its interest in properties or prospects earned or assumed under such contracts.

Key Management and Competition

The success of the Company will be largely dependent upon the performance of its key officers, consultants and employees. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. The success of the Company is largely dependent on the performance of its key individuals. Failure to retain key individuals or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Company's success.

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself with respect to the discovery and acquisition of interests in mineral properties, the recruitment and retention of qualified employees and other persons to carry out its mineral exploration activities. Competition in the mining industry could adversely affect the Company's prospects for mineral exploration in the future.

Title to Properties

Acquisition of rights to the mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Company has investigated the title to all of the properties for which it holds concessions or other mineral leases or licenses or in respect of which it has a right to earn an interest, the Company cannot give an assurance that title to such properties will not be challenged or impugned.

Commodity Prices

The profitability of the Company's operations will be dependent upon the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production to be impracticable. The Company's revenues and earnings also could be affected by the prices of other commodities such as fuel and other consumable items, although to a lesser extent than by the price of copper or gold.

9. Financial Instruments

The Company classifies all financial instruments as either available-for-sale, financial assets or liabilities at fair value through profit or loss ("FVTPL"), loans and receivables or other financial liabilities. Loans and receivables and other financial liabilities are measured at amortized cost. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in accumulated other comprehensive income. These amounts will be reclassified from shareholders' equity to net income when the investment is sold or when the investment is impaired and the impairment is considered less than temporary. Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized on the statement of loss and deficit.

The Company has designated its cash as FVTPL, which is measured at fair value. Amounts receivable receivables are classified as loans and receivables, which are measured at amortized cost. Trade payables are classified as other financial liabilities which are measured at amortized cost. Investments are classified as available-for-sale investments measured using the cost method.

<u>Credit Risk</u>

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and amounts receivable. The Company deposits cash and cash equivalents with high credit quality financial institutions as determined by rating agencies. As a result, the Company is not subject to a significant credit risk. The Company does not consider any of its financial assets to be impaired.

Currency Risk

For the year ended 31 January 2017, the Company's operations were mainly in Canada. The Company considers its currency risk to be insignificant.

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they become due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered. The Company has no source of revenue and has obligations meet its administrative overheads, maintain its mineral investments and to settle amounts payable to its creditors. The Company has been successful in raising equity financing in the past; however, there is no assurance that it will be able to do so in the future. As at 31 January 2017, the Company had a working capital of $109,934 (31 January 2016: $65,390-deficit).

Other Risks

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest rate risk and commodity price risk arising from financial instruments.

10. Adoption of New and Revised Standards and Interpretations

The amendments are effective for annual periods beginning on or after January 1, 2018.

IFRS 2 Share-based payment

IFRS 2, Share-based payment, issued in June 2016, is amended to provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; share-based payment transactions with a "net settlement" for withholding tax obligations; and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The effect date for IFRS 2 is for annual periods beginning on or after 1 January 2018.

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement

IFRS 9 amends the requirements for classification and measurement of financial assets, impairment, and hedge accounting. IFRS 9 introduces an expected loss model of impairment and retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortized cost, fair value through profit or loss, and fair value through other comprehensive income. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The effective date for IFRS 9 is 1 January 2018.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 is based on the core principle to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. IFRS 15 focuses on the transfer of control. IFRS 15 replaces all of the revenue guidance that previously existed in IFRSs. The effective date for IFRS 15 is 1 January 2018.

IAS 28 Investments in associates and joint ventures

This is an amendment to sale or contribution of assets between an investor and its associate or joint venture. The effective date for IAS 28 is for annual periods beginning on or after a date to be determined by IASB. Earlier application is permitted.

The amendments are effective for annual periods beginning on or after January 1, 2017.

IAS 7 Statement of Cash Flows

The amendments, published on 29 January 2016, are intended to clarify IAS 7 to improve information provided to users of financial statements about an entity's financing activities. The effective date for IAS 7 is for annual periods beginning on or after 1 January 2017, with earlier application being permitted.

IAS 12 Income Taxes

The amendments are intended to clarify criteria used to assess whether future taxable profits can be utilized against deductible temporary differences. The effective date for IAS 12 is for annual periods beginning on or after 1 January 2017.

The Company has not early adopted these standards, amendments and interpretations and anticipates that the application of these standards, amendments and interpretations will not have a material impact on the financial position and financial performance of the Company.

11. Controls and Procedures

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external purposes in accordance with IFRS. The design of the Company's internal control over financial reporting was assessed as of the date of this MD&A.

Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could threaten the Company's financial viability, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and work load will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial reports, the integrity and reputation of senior accounting personnel, and candid discussion of those risks with the audit committee.

12. Qualified Person Statement

"Section 1 and Project Over View of Section 3" together with the "Subsequent Events" section of this report have been reviewed and approved for technical content by Ali Hassanalizadeh, M.Sc. P.Geo, Senior Advisor for ELN and a Qualified Person under the provisions of NI 43-101.

13. Forward Looking Information

Forward-looking information is included in this MD&A, which involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Forward-looking information is identified by the use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will", "would", and similar terms and phrases, including references to assumptions. Such information may involve but are not limited to comments with respect to strategies, expectations, planned operations or future actions.

Forward-looking information reflects current expectations of management regarding future events and operating performance as of the date of this MD&A. Such information involves significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking information, including, but not limited to, the following factors (as discussed under "Risks and Uncertainties"): industry; commodity prices; competition; foreign political risk; government laws; regulation and permitting; title to properties; estimates of mineral resources; cash flows and additional funding requirements; key management; possible dilution to present and prospective shareholders; material risk of dilution presented by large number of outstanding share purchase options and warrants; trading volume; volatility of share price; foreign currency risk; and, conflict of interest.

Although the forward-looking information contained in this MD&A is based upon what the Company's management believes to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with such information. Forward-looking information reflects management's current beliefs and is based on information currently available to the Company. Such information reflects current assumptions regarding future events and operating performance including, without limitation, a strong global demand for mineral commodities, continued funding and continued strength in the industry in which the

Company operates, and speaks only as of the date of this discussion. The forward-looking information is made as of the date of this MD&A.

14. Outlook

The Company's main focus at this time is the continued participation in the advancement of the massive sulphide Murray Brook project in New Brunswick. The Company elected to participate with VM Canada and MBM by initially funding 50% of VM Canada's costs to acquire 70% of the project. Subsequently, VM Canada acquired the remaining 30% interest from MBM, so that funding obligations for the project now stand at 35% ELN and 65% VM Canada. The Murray Brook project continues to be very prospective with very good drill results and the Company expects to continue to participate and fund the project throughout the coming year.

The Company is also focused on the exploration and development of its projects in the DRC's copper belt where it has identified a highly prospective Cu/Co discovery through 17,500 m of drilling to date on its Kasala property. Due to the spurious and fraudulent activities of its former country manager Georges Kavvadias and his unsuccessful attempt to illegally transfer the Kasala exploration permits, the Company has put the Kasala project in a care and maintenance status. In anticipation of resuming its exploration activities, although the Company has continued to develop both the programs and budget to advance the Kasala project its preference would be to identify potential joint venture partners to advance the project or to acquire the company`s interest in the Kasala project. The Company received a judgement under the International Commercial Arbitration Act to have the awards applied in the DRC through a successful application of Exequatur; however to date, the Company has not been successful in its efforts in the DRC. As at 30 April 2016, the Company plans no further action to pursue its legal and effective control over Infinity, except in the event that the properties in Infinity are sold to third parties or go into commercial production, the Company plans to take legal action to enforce the rewards.

Even though current management has demonstrated its ability to raise funds in the past, with the current financial market conditions and global economic uncertainty, there can be no assurance it will be able to do so in the future. Although the Company has been successful in all of its Court actions, as with all disputes, there is no guarantee that the results from the appeals will be favorable towards the Company or that there will be further spurious acts. Because of these uncertainties, there is substantial doubt about the ability of the Company to continue as going concern. These financial results and discussion do not include the adjustments that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

15. Subsequent Events

On 10 May 2017, the Company and Puma agreed to an amendment to the Puma Transaction (Note 6) by replacing the following clause:

- $600,000 cash on Closing Date; and
- $400,000 cash six (6) months after the Closing Date.

with

- $250,000 cash and the issuance of 5,000,000 shares on Closing Date (received); and
- $400,000 cash six (6) months after the Closing Date in the event Puma raises an additional $1,000,000 within the first six (6) months or the amount of $500,000 cash twelve (12) months after the Closing Date.

On 10 May 2017, the Puma Transaction closed and the Company received $250,000 in cash and 5,000,000 common shares of Puma.

16. Additional Information

Additional information relating to the Company is available on SEDAR at www.sedar.com or on the Company's website at www.elninoventures.com .

For more information, please contact:
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TRADING SYMBOLS
TSX Venture Exchange: ELN
OTC Pink: ELNOF
Frankfurt Stock Exchange: E7Q