An Exploration Stage Company

MANAGEMENT'S DISCUSSION & ANALYSIS

As at November 27, 2015

This Management's Discussion and Analysis ("MD&A") of Colt Resources Inc. and its subsidiaries (the" Company") is for the three and nine month periods ended September 30, 2015 compared to the three and nine month periods ended September 30, 2014. Together with the condensed interim consolidated financial statements and the related notes, the MD&A provides detailed account of the Company's financial and operating performance for the period. The Company's functional and presentation currency is the Canadian dollars. This MD&A is current to November 27, 2015 and should be read in conjunction with the Company's Annual Information Form and other public filings available at www.sedar.com ("SEDAR").

Management is responsible for the condensed interim consolidated financial statements referred to in this MD&A.

The MD&A should be read in conjunction with the condensed interim consolidated financial statements of the Company and the related notes, which have been prepared in accordance with IAS 34, "Interim Financial Reporting". The MD&A should be read in conjunction with the December 31, 2014 audited annual consolidated financial statements. This discussion addresses matters we consider important for an understanding of the financial condition and results of operations as at, and for the three and nine month periods ended September 30, 2015 of the Company.

Additional information, including the press releases and the Company's annual information form, has been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR") and is available online under the Company's profile at www.sedar.com. Additional information relating to the Company can be found on the Company's website at www.coltresources.com.

The Company's securities trade on the TSX Venture, OTC Pink and Frankfurt exchanges.

FORWARD LOOKING STATEMENTS

Certain of the information contained in this MD&A may contain "forward-looking statements". Forward-looking statements may include, among others, statements regarding future plans, costs, objectives or economic performance, or the assumptions underlying any of the foregoing. In this MD&A, words such as "may", "would", "could", "will", "likely", "believe", "expect", "anticipate", "intend", "plan", "estimate" and similar words and the negative form thereof are used to identify forward-looking statements.

Forward-looking statements should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether, or the times at or by which, such future performance will be achieved. Forward-looking statements are based on information available at the time and/or management's good-faith belief with respect to future events and are subject to known or unknown risks, uncertainties and other unpredictable factors, many of which are beyond the Company's control. These risks and uncertainties include, but are not limited to, those described in this MD&A and any other document published by the Company. The Company does not intend, nor does it undertake any obligation, to update or revise any forward-looking statements contained in this document to reflect subsequent information, events or circumstances or otherwise, except if required by applicable laws.

COMPANY OVERVIEW

Colt Resources (the "Company") is a Canadian-based exploration stage company focused on the acquisition, exploration and development of mineral properties in Portugal. The Company is led by an experienced managerial and technical team and its strategy is to provide stakeholder value from quality mineral assets located in strategic jurisdictions. The Company is a reporting issuer in the Provinces of British Columbia, Alberta, Ontario and Quebec.

Colt Resources Inc. is incorporated in Canada and operates from its headquarters in Montreal, Canada and also through its wholly owned subsidiary ColtInvestco SGPS S.A. and its subsidiaries, Q.S.P.A. – Sociedade Vitícola Unipessoal Lda. ["QSPA"], Eurocolt Resources Unipessoal Lda. ["Eurocolt"], Aurmont Resources Unipessoal Lda. ["Aurmont"], TungSPA Unipessoal Lda. ["TungSPA"]. It also holds an equity interest in its associate entity, Colt Resources Middle East (Cayman) (the "Associate" or "CRME"). These subsidiaries and the associate represent the interests of Colt Resources Inc. in Portugal and the Greater Middle East area respectively.

The Company's significant exploration and development projects at September 30, 2015 included the Boa Fé gold project in southern Portugal and the Tabuaço tungsten project in northern Portugal. The Company holds a 100% interest in both projects.

QUALIFIED PERSON

The technical information disclosed in this MD&A has been reviewed and approved by James W. Murton, P Eng, a Qualified Person (QP) for Colt Resources, as defined by National Instrument 43-101 for the Standards of Disclosure for Mineral Projects.

The Company's technical reports are available under the Company's profile on www.sedar.com

CORPORATE HIGHLIGHTS

- On April 13, 2015, the Company announced that Wayne Murton had stepped down as a director and the Company appointed former US Ambassador Hans H. Hertell to the board. Wayne is engaged with the Company in the capacity of an external advisor as well as acting Qualified Person as per NI 43-101 requirements.
- On April 20, 2015, the Company announced the appointment of Sabri Karahan as a director. He is a nominee of Spektra Jeotek, (an international drilling company based in Turkey owning approximately 6% of common shares of the Company). Sabri is a mining engineer with 40 years of experience in mining operation, development, engineering, mine management and corporate management. He is the founder and currently the Chief Executive Officer and General Manager of DAMA Engineering of Ankara, Turkey, which serves the mining industry worldwide in the areas of exploration, project development, and EPCM work.
- During the month of May 2015, the Company entered into agreements with its existing senior secured note holders for conversion in shares of its senior secured debt in the aggregate principal amount of US$2.7 million in addition to the accrued interest of US$ 0.1 million at a deemed price of CAD $0.175 per Unit. Each Unit comprises of one common share and one common share purchase warrant (a "Warrant"). Each Warrant entitles the holder to acquire for a period of three years one common share of the Company at a price of CAD $0.25 per common share. As a result of the conversion, 19,341,222 Units were issued.
- On June 15, 2015, the Company announced that its associate, CRME, finalized the acquisition of a majority stake in three exploration licenses in Chagai Hills region in Balochistan, Pakistan previously held by Lake Resources NL, an Australian company. One of the licenses, Amalaf adjoins the northern boundary to the Saindak gold-copper project which is in production and is operated by Metallurgical Corporation of China. One of the other licenses, Dasht-i-Gauran is located close to the western side of the copper mineralization area around the Reko-Diq copper-gold project.
- On June 22, 2015, the Company announced that it has entered into an agreement with CITIC-GEM Limited ("GEM-CITIC fund"), whereby, the Company at its sole discretion can sell and the GEM-CITIC fund is committed to purchase shares of the Company for upto $ 30 million. Global Emerging Markets ("GEM") is a New York based fund.GEM has partnered with the CITIC Group (China International Trust and Investment Company),

China's largest native multinational company with USD $125 billion of total assets, 44 subsidiaries and true global reach and influence. The partnership was set up to launch and co-manage a USD $1 billion natural resources fund with specific focus on non-ferrous metals across Asia and Africa.

- On July 13, 2015, the Company announced closing of a financing for a gross amount of approximately $3.82 million. As a result of the financing, a total of 21,843,137 Units were issued. Each Unit comprises one common share and warrant. Each warrant entitles the Unit holder to acquire one common share of the Company at an exercise price of $0.25 per share for a period of three years. Finders' fee of $0.26 million was paid in cash equal to 8% on a portion of the gross proceeds raised from applicable subscriptions in the private placement. In addition, finders' warrants equal to 8% of the number of units issued and sold on this same portion of the applicable subscriptions were also issued.
- On September 3, 2015, the Company announced that it had acquired 60% ownership replacing Antofagasta as the majority partner in the Alvalade copper zinc project ("Alvalade"), held by Avrupa Minerals Ltd ("Avrupa") (TSXV: AVU) in Portugal's section of the Iberian Pyrite Belt. The Company can earn up to 80% in Alvalade on meeting the committed expenditures outlined in assignment agreement between the Company, Avrupa and Antofagasta.
- During the month of September 2015, the Company entered into an agreement to provide unsecured convertible loan equivalent to USD$ 0.8 million to its associate, CRME. The Loan is at 5% interest per annum compounded semi-annually, has a maturity of up to 18 months' term ("Term"), and is convertible into ordinary shares at any time, prior to maturity. The conversion terms are as follows:

  - The principal amount of the Loan with accrued interest can be converted into ordinary shares of CRME at a price of USD $0.30 per share provided that no additional major mining licenses are obtained by CRME in the Chagai region in Balochistan, Pakistan.

  - If CRME obtains additional major mining licenses in the Chagai region in Balochistan, Pakistan, and obtains the necessary regulatory and shareholder approvals, the conversion price which the Company will be able to convert the Loan into ordinary shares of CRME will be USD $1 per share.

  The conversion terms are subject to disinterested shareholder approval in accordance with the policies of TSX-V at the Company's next Annual General and Special Meeting to be held in January 2016.

OUTLOOK

The Company does not generate any operating cash flows. The Company's sources of financing in the past have been issuance of common shares, warrants, options, senior secured debt financing and bank debt. Overall prices for metals and precious metals equities, particularly for early stage projects, have decreased during the past year and raising sufficient capital on favourable terms has become difficult for junior exploration companies. These conditions are expected to continue for the foreseeable future and could affect the Company's ability to raise sufficient financing. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be available on acceptable terms.

In addition, as disclosed in the condensed interim consolidated financial statements, the Company has not earned significant revenue and is considered to be in the exploration and evaluation stage. The Company's current committed cash resources are insufficient to cover expected expenditures in the remainder of fiscal year 2015. The Company's ability to continue as a going concern is also dependent on being able to obtain the necessary financing to satisfy its liabilities as they become due. There can be no assurances that management will be successful in securing adequate financing.

The Company is strongly committed to effective cash management and maintaining liquidity. The Company is committed to ensuring that it remains liquid and will continue to identify and to execute cost reduction initiatives, deferral or elimination of discretionary exploration expenditures and/or seeking divestment of its non-core assets/properties to preserve its working capital, raise sufficient capital and maintain adequate liquidity to fund the Company's operations.

OPERATIONS SUMMARY

PORTUGAL

Boa Fé Gold Project

The Boa Fé Experimental Mining License ("EML") covers 46.78km² and is located approximately 95km east of Lisbon, the capital city, near the towns of Montemor-o-Novo and Évora, in the Alentejo region of southern Portugal. The property is completely surrounded by the Company's 100% owned Montemor exploration concession.

The document package for the the Mining License application was delivered to the Direcção Geral De Energia E Geologia ("DGEG") towards the end of April 2015.

No work was carried out during the second and third quarter of 2015 as the application of the definitive Mining License is pending approval by the DGEG.

Tabuaço Tungsten Project (previously the Armamar-Meda Concession)

The Company has a 100% interest in the Tabuaço property, which has an area of 45.128 km². Located in north central Portugal, the property is approximately 5 hours driving time from Lisbon. The roads and the infrastructure are excellent. The Tabuaço Experimental Mining License ("EML") contract was signed on February 20, 2013 and corresponds to the north-west block of the previously owned Armamar-Meda Tungsten Concession, whose exploration license expired on December 9, 2012.

During the first quarter of 2015, drill hole logging of the last holes of the 2014 drilling campaign was completed, and the correspondent sample splitting was ongoing at the end of the third quarter. No work was carried out during the second quarter of 2015.

During the third quarter of 2015, a drilling program of 5,388 metres comprising a total of 32 infill drilling holes was completed, the analytical results of which will be received from the laboratory in the next quarter.

In addition, during September 2015, there was progress made towards obtaining the experimental mining license for the Tabuaço Tungsten Project.

Santo António (previously the Penedono Concession)

The "Consórcio Penedono", a Joint Cooperation Consortium between the Company and Contécnica Consultoria Tecnica ("Contécnica"), has a 100% interest in the Santo António property, which has an area of 35.341 Km² located in north central Portugal, the property is approximately 5 hours driving time from Lisbon. The Santo António EML contract was signed on February 20, 2013 and corresponds to the central block of the previously owned Penedono Gold Concession whose exploration license expired on October 28, 2012.

During the first quarter, Contécnica continued with the drilling program at Santo António with 2 holes drilled with a total length of 719.98 m, cutting a sequence of granitic rocks cross cut by quartz veins/veinlets, small fractured zones, as well as greisen margins with minor amounts of pyrite and arsenopyrite. Drill hole logging, density measurements, sampling preparation and dispatching the samples to the assay laboratory was completed at the end of first quarter. Analytical results received from drill hole core, from 6 holes, shows several intersections with gold grade above 1 g/ton with the highest value reported on vein 5 with 4.34 gAu/ton over 0.55m and 1.88 gAu/ton over 4.55m in hole SAD06ID006.

During the second quarter of 2015, Contécnica, continued with the drilling program at Santo António, focusing on veins # 1 to 3, now with one single drill rig. The drill program to test the deep extensions of the main veins was completed, and a short program of shallow drill holes was started in order to verify the inferred shallow resources estimated for vein # 3. In total 3 holes were completed (one of which started during the first quarter) and a fourth hole was started at the Santo António deposit, for a total length of 286.66 metres drilled during the second quarter of 2015.

Analytical results were received during Q2 solely for hole SAD03ID001, which did not indicate any vein intersections assaying above 0.36g/t Au.

During the third quarter of 2015, the above program of shallow drill holes to verify inferred resources estimated for vein #3 was terminated after completion of the fourth hole at 59.60 metres deep. Drill core logging and sampling regarding the latest drill holes was completed and no further field work was done.

Montemor-o-Novo Gold Concession

The Montemor-o-Novo exploration concession covers approximately 363.62km^2, after the contractual 50% surface area reduction. It is located approximately 95 km east of Lisbon, the capital city, near the towns of Montemor-o-Novo and Évora, in the Alentejo region of southern Portugal. The property completely surrounds the Company's 100% owned Boa Fé Experimental Mining License.

During the first quarter of 2015 no field work was carried out at this property, but mineralized samples cut from previously drill holes drilled at Monfurado were prepared to be dispatched to the assay laboratory.

During the second quarter of 2015, analytical results were received for several rock samples previously taken during regional exploration at Montemor. Among these are noteworthy seven grab samples assaying in the 1.0-14.3 g/t Au range, which concentrate in two new mineralized zones, in central and central-north Montemor concession. Further field geologic reconnaissance work was carried out at these two areas, with a view to assess them and plan follow-up exploration work. In one of these areas, Regadia-north, the gold mineralization is hosted by the same sheared granite as at Mourel-north, being the distance between the two mineralized occurrences of 1.2 kilometres.

A short diamond drilling program was carried out at the Mourel-north target, aimed at testing both the strike and depth extents of the granite-hosted gold mineralization discovered in 2012. Three inclined holes were completed during the third quarter of 2015 with a total extension of 221.11m. All were sampled and analytical results were obtained for the first hole but are still pending for the last two.

Alvalade

During the third quarter of 2015, the Company acquired from Antofgagasta which had spent over $6 Million on the project, a 60% interest in the Alvalade exploration license, with Avrupa Minerals owing the remaining 40%. The concession has an approximate area of 902km2, and is located in the Iberian Pyrite Belt, southern Portugal, at approximately 2 hours driving time from Lisbon. Alvalade concession is the most westerly prospectable area of the Iberian Pyrite Belt This Portuguese part of the belt is rich in silver along with copper, zinc and lead compared to its Spanish equivalents. It is also the least prospected of all areas within the belt, because most deposits reside under tertiary cover. Discovery of massive sulphide at Sesmarias occurred on February 27th, 2014.

Work done in the concession during the third quarter of 2015 comprised the planning of a 5,000 metres diamond drilling program to test the base metal VMS mineralization discovered at Sesmarias in 2014. The drilling campaign will continue throughout the remainder of 2015.

Borba

The Company holds a 100% interest in the Borba exploration license whose contract was signed on February 20, 2013, following the application made on April 3, 2012. The Borba property has an approximate area of 633.935 km². Located in central Portugal, the property is approximately 2 hours driving time from Lisbon.

No field work was carried out at this property during the second quarter of 2015. During the third quarter of 2015 a modest 500 meters diamond drilling program was started at the Miguel Vacas copper deposit aimed at testing the extent of the mineralized structure to the south of the old mining pit, as well as at depth. One inclined, 108.93m long drill hole was completed, sampled and analysed. The second inclined hole of this campaign was started and reached the depth of 124.33m at end of this quarter, being continued into Q4.

Cercal

The Company holds a 100% interest in the Cercal exploration license which has an approximate area of 455.192 km^2. Located in South Portugal, the property is approximately 3 hours driving time from Lisbon.

During the first and second quarter of 2015 no field work was carried out at this property.

During the third quarter of 2015 one vertical, 180.59 metres long diamond drill hole was completed to test the Salgadinho stockwork Cu-Au-Ag deposit, located towards the northern part of this property. Analytical results for the samples cut from its drill core are still pending.

RESULTS OF OPERATIONS

SELECTED FINANCIAL INFORMATION AND SUMMARY OF QUARTERLY RESULTS

	September 30	June 30	March 31	December 31
	2015	2015	2015	2014
Quarters ended	$	$	$	$
Net loss for the period	(1,446,936)	(3,829,322)	(940,238)	(8,574,778)
Comprehensive loss	(568,086)	(3,151,529)	(1,444,199)	(8,143,066)
Basic and diluted (loss)/earnings per share	(0.00)	(0.01)	(0.01)	(0.06)
	September 30	June 30	March 31	December 31
	2014	2014	2014	2013
Quarters ended	$	$	$	$
Net (Loss)/Income	(1,264,935)	(752,444)	1,182,123	(3,212,760)
Comprehensive (Loss)/Income	(2,222,781)	(1,627,085)	2,203,122	(1,851,085)
Basic and diluted loss per share	(0.01)	(0.01)	0.01	(0.01)

Summary of variation in operating costs for three months between September 30, 2015 and 2014

	September 30 2015	September 30 2014	Variation
For the three month period ended	**$**	**$**	**$**
Investor relations and marketing	44,702	33,105	11,597
Office expenses	144,563	161,914	(17,351)
Management fees	246,678	127,370	119,308
Other general and administrative expenses	59,454	55,154	4,300
Salaries	120,159	55,678	64,481
Professional and consulting fees	260,520	120,616	139,904
Legal expenses	31,007	83,129	(52,122)
Rent	53,167	64,445	(11,278)
Insurance	20,174	37,480	(17,306)
Depreciation and amortization	135,633	41,672	93,961
Other expense/ (income)	113,491	(573,153)	686,644
Total operating costs	**1,229,548**	**207,410**	**1,022,138**

Quarter ended September 30, 2015 compared to the quarter ended September 30, 2014

For the quarter ended September 30, 2015, the Company reported a net loss of $1.45 million (net loss of $1.26 million in 2014) and a comprehensive loss of $1.45 million (loss of $1.26 million in 2014). The increase in the Company's net and comprehensive loss was primarily due to the fact that in the same period last year, the Company had received $1.5 million back from its associate, Colt Resources Middle East, which was accounted under other income.

On the expenses, overall administrative expenses increased by $0.24 million primarily due to increase in professional and consulting fees which was a result of increase in legal consultancy fees and listing and filing fees due to increased corporate activities during the quarter. There was also increase in management fees and related costs due to accrued portion of management fees not received in cash by the management being charged to expenses.

Finance costs during the quarter were $0.29 million ($0.17 million in 2014) mainly due to increase in accretion expenses on preferred shares, increase in finance charges on the line of credit offset by decrease senior note debt and accretion on derivative financial liability-warrants. The warrants and the debt were retired in May 2015.

The Company reported a foreign exchange gain of $0.88 million (loss of $0.95 million in 2014) on translation of results of foreign subsidiaries.

Summary of variation in operating costs for nine months between September 30, 2015 and 2014

	September 30	September 30	
	2015	2014	Variation
For the nine month period ended	$	$	$
Investor relations and marketing	92,760	208,426	(115,666)
Office expenses	614,132	685,684	(71,553)
Management fees	821,863	407,346	414,517
General and administrative expenses	77,719	75,640	2,079
Salaries	301,539	433,997	(132,458)
Professional and consulting fees	647,652	328,409	319,243
Legal expenses	136,749	165,399	(28,651)
Rent	148,311	230,010	(81,700)
Insurance	58,705	137,638	(78,933)
Depreciation and amortization	318,568	146,618	171,950
Other expense/(income)	178,175	(2,966,364)	3,144,539
Total operating costs/(income)	**3,396,172**	**(147,196)**	**3,543,368**

Nine months ended September 30, 2015 compared to June 30, 2014

For the nine month period ended September 30, 2015, the Company reported a net loss of $5.29 million (net loss of $0.79 million in 2014) and a comprehensive loss of $5.28 million (net loss of $0.84 million in 2014).

The increase in the net loss is primarily due to certain professional and consulting fees and management fees and related costs as compared to the same period in 2014 and also the fact that in 2014 comparable period, the Company received $1.5 million from its associate, Colt Resources Middle East which was not the case in the current year. Under the professional and consulting fees, there was increase in legal consultancy expenses and filing fees as a result of increased corporation activity during the second and third quarter of 2015. There was also increase in management fees and related costs due to accrued portion of management fees not received in cash by the management being charged to expenses.

Finance costs increased to $0.68 million ($0.49 million in 2014) mainly due to increase in accretion expenses on preferred shares, increase in finance charges on the line of credit offset by decrease senior note debt and accretion on derivative financial liability-warrants. The warrants and the debt were retired in May 2015

Exploration and evaluation expenditures

The following table represents additional Exploration and Evaluation (E&E) expenditures during the third quarter ended September 30, 2015 and the year ended December 31, 2014 on the Company's properties in Portugal.

	Santo Antonio		Tabuaco		Moimenta Almendra		Montemor-o-Novo		Boa Fé		Others		Total	
	September 30, 2015	December 31, 2014	**September 30, 2015**	December 31, 2014	**September 30, 2015**	December 31, 2014	**September 30, 2015**	December 31, 2014	**September 30, 2015**	December 31, 2014	**September 30, 2015**	December 31, 2014	**September 30, 2015**	December 31, 2014
Balance, beginning of period/year	**2,912,614**	2,912,614	**14,468,816**	13,574,892	-	-	**-**	1,491,881	**8,904,755**	11,682,912	**-**	265,052	**26,286,185**	29,927,351
Assays and geochemistry	**-**	-	**-**	-	-	-	-	-			**-**	-	**-**	-
Field costs	**-**	-	**205,953**	26,678	-	-	**-**	-	**79,759**	11,692	**37,385**	-	**323,097**	38,370
Consulting	**-**	-	**375,566**	95,038	-	-	**14,305**	13,469	**259,984**	82,732	**20,630**	17,655	**670,485**	208,895
Drilling	**-**	-	**-**	663,350	-	-	**18,350**	249,208	**95,980**	847,522	**13,210**	19,882	**127,540**	1,779,963
Geology	**-**	-	**-**	-	-	-	**-**		**-**	-	**-**	-	**-**	-
Geophysics	**-**	-	**174,393**	-	-	-	**-**		**-**	-	**-**	3,090	**174,393**	3,090
Salaries and labour	**-**	-	**248,103**	108,857	-	-	**31,260**	65,508	**259,825**	279,898	**34,741**	17,084	**573,929**	471,346
Acquisition related cost	**-**	-	**51,326**	-	-	-	**27,500**		-		**5,000**	-	**83,826**	-
Tangible assets	**-**	-	-	-	-	-	-		-		**-**	-	**-**	-
Total exploration expenditures	**-**	-	**1,055,341**	893,923	**-**	-	**91,415**	328,186	**695,548**	1,221,844	**110,966**	57,712	**1,953,270**	2,501,664
Evaluation assets written off	**-**	-	-	-	-	-	-	-	-	-	-		**-**	-
Sub Total	**-**	-	**1,055,341**	893,923	**-**	-	**91,415**	328,186	**695,548**	1,221,844	**110,966**	57,712	**1,953,270**	2,501,664
Balance, end of period/year	**2,912,614**	2,912,614	**15,524,157**	14,468,815	**-**	-	**91,415**	1,820,067	**9,600,303**	12,904,756	**110,966**	322,764	**28,239,455**	32,429,015

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2015, total assets were $36.64 million ($33.13 million at the end of December 31, 2014). Exploration and evaluation assets increased by $1.95 million from $26.29 million to $28.24 million

Cash and solvency

As at September 30, 2015, the Company's cash balance was 0.2 million ($0.16 million at the end of December 31, 2014). The decrease in cash was mainly due to decrease in cash from operating activities of $3.23 million, decrease in cash from investment activities of $1.57 million offset by increase in net cash from capital raising activities for $4.83 million.

As at September 30, 2015, the Company does not have sufficient capital to meet its needs for the next twelve months and is in the process of seeking further financings to meet its long term requirements.

Given that the Company's operations are focused on the exploration and development of mining properties, the most relevant financial information, in its view, relates to current liquidity, solvency, and planned property expenditures. The continuing operations of the Company are dependent on the Company's ability to secure funding and to generate future profits from operations. The underlying value and recoverability of the amounts shown Company's financial success will depend on the economic viability of its resource properties and the extent to which it can discover and develop new ore deposits. A number of factors determine the economic viability of a property including: the size of the deposit; the quantity and quality of the reserves; the proximity of the deposit to current or planned infrastructure; the forecasted development and operating costs and the costs to finance the planned expenditures; and the projected cash flows. Such development may take several years to complete and the amount of resulting income, if any, is difficult to determine. The sales value of any mineralization discovered by the Company largely depends on factors beyond the Company's control, including the market value of the metals and minerals to be produced.

The Company's main sources of funding are equity and debt markets, private placements and exercise of outstanding warrants and options.

The investment in, and expenditures on, exploration and evaluation assets comprise a significant portion of the Company's assets. Mineral exploration and development is highly speculative and involves inherent risks. Realization of the Company's investment in these assets is dependent upon the renewed legal ownership of the licenses, and whether an economically viable operation can be established.

In addition, it has not yet been determined whether the Company's properties contain ore reserves that are economically recoverable. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines.

The Company's current committed cash resource is insufficient to cover expected expenditures in the remaining of the fiscal year 2015. The Company's ability to continue as a going concern is also dependent on being able to obtain the necessary financing to satisfy its liabilities as they become due. There can be no assurances that management will be successful in securing adequate financing.

OUTSTANDING SHARE INFORMATION

As at November 27, 2015, there were 239,141,657 common shares, 61,945,450 warrants with a weighted average exercise price of $0.33 and 2,775,000 stock options with a weighted average price of $0.72 outstanding.

CONTRACTUAL OBLIGATIONS

1. The Company's contractual obligation for the properties in Portugal as at September 30, 2015 are as follows:

	Obligations due per year			
	2014	**2015**	**2016**	**2016+**
	$	**$**	**$**	**$**
Montemor-o-Novo Commitments (1)	659,475	439,650	439,650	
Cedovim Commitments (1)	87,930	73,275	73,275	
Borba (1, 3)	78,708	78,708	91,826	234,480
Cercal (1)	73,275	109,913	109,913	293,100
Total contractual obligations	**899,388**	**701,546**	**714,664**	**527,580**
	Obligations for the life of the contract			
	2014-2017			
	$			
Tabuaco EML Commitments (1, 4)	6,594,750			
Santo Antonio EML Commitments (1, 3, 4)	4,396,500			
Total obligations for the life of the contract	**10,991,250**			
(1) Original contractual commitments are denominated in European Euro (€)				
(2) Contractual commitments have been met for the life of the license				
(3) Obligations to be assumed by a Joint Collaboration partner				
(4) Obligations for the duration of the contract				

2. Under the recently signed Assignment Agreement for the Alvalade Project, minimum commitments to Antofagasta to earn in up to 80% of the project are as follows:

Minimum Cash Commitment (in USD)				
March 31, 2016	March 31, 2017	March 31, 2018	March 31, 2019	December 31, 2019
300,000	300,000	300,000	300,000	1,200,000

- USD 600,000 payment on completion of an Inferred Mineral Resource (as defined in NI 43- 101) of at least 500,000 tonnes of copper concentrate.
- USD 1 Million on preparation of a feasibility report in respect of the mineral rights providing for Internal Rate of Return that is greater than 20% on a post-tax basis
- USD 3 Million on commencement of commercial production
- At the option of the Company, it can make a payment at an earlier date before on or before June 30, 2017 reducing the overall total of commitment to USD 6,600,000.
- In addition, the Company is also committed to grant Antofagasta a 1% net smelter return royalty on production

Should the Company fail to fulfill the above payments, the Company will still retain 60% ownership of the Alvalade project.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Related party transactions include transactions with the Company's associate, Colt Resources Middle East and transactions with the Company's Key Management Personnel which includes Board of Directors, the Chief Executive Officer, the General Counsel/Corporate Secretary, the Chief Financial Officer, Advisory Board Members, close family members and entities controlled by these individuals as well as certain consultants performing similar functions. These are the key management personnel of the Company.

All of the following related party transactions were in the normal course of operations and were measured at the amount established and agreed to by the related parties.

Following were the related party transactions for the nine months September 30, 2015 and 2014

Transactions with the Associate:

During the quarter ended September 30, 2015, the Company provided short-term unsecured loan of $1.06 million (USD 0.8 million) to its associated company - Colt Resources Middle East ("CRME") at 5% per annum interest compounded semi-annually. This unsecured loan is convertible into equity of CRME at the discretion of the Company at USD 0.30 per share provided no additional major mining licenses are obtained by CRME in Pakistan. If CRME obtains additional major mining licenses in Pakistan, and obtains the necessary regulatory and shareholder approvals, the conversion price which the Company will be able to convert the loan into ordinary shares of CRME will be increased to USD $1 per share. The conversion terms are subject to disinterested majority shareholder approval at Annual General Meeting of the Company that will be held in January 2016.

During the quarter ended June 30, 2015, the Company subscribed $0.4 million in additional share offering by CRME at $0.20 per share for 2,000,000 new shares.

As of September 30, 2015, the Company holds 9,164,205 common shares of CRME representing 13.99% ownership. The Company has also provided a convertible loan to CRME for USD$ 0.8 million. Under the terms, the Company can convert the loan into CRME shares at USD 30 cents if CRME does not obtain additional licenses in Pakistan. In case, CRME obtains additional mining licenses, the conversion price will be USD 1 per share.

Should the Company choose to convert USD $0.8 million loan into shares at USD 30 cents per share, the Company will then hold 11,830,872 shares of CRME representing 17.35% ownership. Should the Company convert at USD 1 per share, the Company will then hold 9,964,205 shares of CRME representing 15.03% ownership.

At the original acquisition price of $0.15 per share, the carrying value of the remaining shares is $1.37 million. Based on the most recent transaction price of USD $0.30 per share (C$$0.375 per share as at September 30, 2015), the Company's current investment in CRME's common shares represent a value of $3.43 million.

Transactions with Key Management Personnel:

Nine months ended September 30,	**2015**	**2014**
	$	$
Management fees and related costs	**643,191**	273,316
Professional and consulting fees	**76,745**	72,000
Salaries	**-**	37,500
Short-term benefits	**51,256**	114,599
Director fees	**92,083**	24,900
	863,275	522,315

During the second quarter of 2015, the Chief Executive Officer, Chief Finance Officer and the General Counsel subscribed for in aggregate 1,673,571 units comprising shares and warrants of the Company during the private placement closed in June 2015.

During the first quarter of 2015, the Chief Executive Officer and one of the Directors subscribed for in aggregate 2,181,204 units comprising shares and warrants of the Company during the private placement closed in February/March 2015.

As at September 30, 2015, $0.59 million amount was owed to related parties [December 31, 2014, $0.69 million] and is included in accounts payable and accrued liabilities.

CRITICAL JUDGMENTS AND ACCOUNTING ESTIMATES

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues 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. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets and liabilities affected in future periods.

Key areas requiring critical judgments and significant estimates include:

Going concern – Judgment

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year as they fall due, and to fund planned and contractual exploration programs, involves judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances.

Exploration and evaluation assets – Judgment

Exploration and evaluation assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable through future exploitation or sale. Such circumstances include the existence of specific rights to explore in a specific area, actual and planned expenditures, results of exploration, and whether an economically-viable operation can be established. An impairment loss is recognized for the amount by which any exploration and evaluation asset exceeds its recoverable amount. The recoverable amount is the higher of the exploration and evaluation asset's fair value less costs to sell and value in use.

Management judgment is applied in determining whether to test exploration and evaluation for impairment and in determining the lowest levels of exploration and evaluation assets grouping or cash generating units [CGU's], for which there are separately identifiable cash flows, generally on the basis of a property.

Functional currency – Judgment

The functional currency of Colt Resources Inc. is the Canadian dollar and the functional currency of the Company's subsidiaries is the Euro and the USD. Management uses its judgment to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. As part of this approach, management gives priority to the primary indicators before considering the other indicators, which are designed to provide additional supporting evidence to determine the entity's functional currency. Since the Company doesn't generate revenues, the currency in which the expenditures are made is considered by management in determining the functional currency.

Fair value of derivative financial liability - warrants– Estimate

Estimating fair value for warrant requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining and making assumptions about the most appropriate inputs to the valuation model including the expected life, volatility and dividend yield of the warrants. The fair value of warrants is evaluated using the Black-Scholes pricing model at the date of grant. The Company has made estimates as to the expected volatility, and expected life of warrants. The expected volatility is based on the historical volatility of the Company, over the period of the expected life of the warrants. The expected life of the warrant is based on historical data. These estimates may not necessarily be indicative of future actual patterns.

Inventories – Estimate

Inventories are stated at the lower of cost and net realizable value. The ageing of Port wine bottled or in bulk varies and it can take a significant length of time before the wine inventories are ready to be sold. Net realizable value of grape inventory is determined using forecasted demand and expected market prices at the time the wine is expected to be ready for sale. Forecasted demand and market prices can vary significantly over the holding period and involves estimating the most likely conditions that will be in existence at the time of sale.

The Company's best estimate of net realizable value is based on the average prices published by the "Instituto dos Vinhos do Douro e Porto" which is widely recognized in the region as being a reliable estimate of similar wines sold by the Company. The Company uses this published information as a starting point for estimating the expected sales price of similar wine with similar ageing information and then adjusts for any differences for similar wine.

Biological assets – Estimate

The grape vines are measured at fair value less cost to sell. Since market-determined prices or values are not available for grape vines, the Company uses a discounted cash flow method to determine fair value. In arriving at fair values, the key assumptions are estimated sales prices less cost of delivery, discount rate, productive life of grape vines, estimated volume and growth estimations. All changes in fair value are recognised in the period in which they arise.

Recent Accounting Pronouncements

The standards and interpretations listed below that are issued but not yet effective up to the date of issuance of the Company's consolidated financial statements, are those that the Company reasonably expects will have an impact on disclosures, financial position or performance when applied at a future date. The Company intends to adopt these standards and interpretations, if applicable, when they become effective.

IFRS 9 Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. The Company is currently assessing the impact of adoption that IFRS 9 and plans to adopt the new standard on the required effective date.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 was issued in May 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognising revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after January 1, 2017 with early adoption permitted. The Company is currently assessing the impact of IFRS 15 and plans to adopt the new standard on the required effective date.

IAS 1 Presentation of Financial Statements

In December 2014, the IASB issued amendments to IAS 1, Presentation of Financial Statements ("IAS 1") to clarify materiality, order of notes to financial statements, disclosure of accounting policies as well as aggregation and disaggregation of items presented in the statement of financial position, statement of income and statement of comprehensive income. These amendments shall be applied to fiscal years beginning on or after January 1, 2016, with earlier application permitted. The Company has not adopted the amendments to IAS 1 in its financial statements for the current period, but will continue to monitor and evaluate the impact of any required changes to its consolidated financial statements at the date of adoption.

IAS 41 Agriculture

In June 2014, the IASB published amendments that change the financial reporting for bearer plants, such as grape vines, rubber trees and oil palms. IAS 41 Agriculture currently requires all biological assets related to agricultural activity to be measured at fair value less costs to sell. The amendments change the accounting requirements for biological assets that meet the definition of bearer plants. Under the amendments, biological assets that meet the definition of bearer plants will no longer be within the scope of IAS 41. Instead, IAS 16 will apply. After initial recognition, bearer plants will be measured under IAS 16 at accumulated cost (before maturity) and using either the cost model or revaluation model (after maturity). The amendments also require that produce that grows on bearer plants will remain in the scope of IAS 41 measured at fair value less costs to sell.

The amendments are retrospectively effective for annual periods beginning on or after January 1, 2016, with early adoption permitted. The Company is currently assessing the impact of the amendments and plans to adopt the new standard on the required effective date

Risk Factors

Resource exploration and development is a highly speculative business, involves a high degree of risk and is frequently unsuccessful. There is no certainty that the expenditures to be made by the Company in the exploration of its properties or otherwise will result in discoveries of commercial quantities of minerals. The exploration for and development of mineral deposits involves significant risk, which even a combination of careful evaluation, experience and knowledge may not eliminate. Although the discovery of an ore body may result in substantial rewards, few properties explored are ultimately developed into producing mines. Significant expenditures may be required to locate and establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the Company's current exploration programs will result in a profitable commercial mining operation.

Significant capital investment is required to achieve commercial production from successful exploration efforts. The commercial viability of a mineral deposit is dependent upon a number of factors. These include: (i) deposit attributes such as size, grade and proximity to infrastructure; (ii) current and future metal prices (which can be cyclical); (iii) government regulations, including those relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and necessary supplies and environmental protection; (iv) First Nations negotiations and agreements; and (v) technological risks and changes. The complete effect of these factors, either alone or in combination, cannot be entirely predicted, and their impact may result in the Company not receiving an adequate return on invested capital.

The prices of minerals fluctuate widely and are affected by many factors outside of the Company's control. The prices of minerals and future expectation of such prices may have a significant impact on the market sentiment for investment in mining and mineral exploration companies. This in turn may affect the Company's ability to raise equity financing for its capital requirements.

OTHER MATERIAL EVENTS AND HIGHLIGHTS

The Company is presently not a party to any proceedings.

SUBSEQUENT EVENTS

No significant subsequent events occurred since September 30, 2015.

Other Information

Additional information on the Company is available under the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.coltresources.com

Colt Resources Inc.

Signed *"Nikolas Perrault"*

Nikolas Perrault
Chief Executive Officer

Signed *"Shahab Jaffrey"*

Shahab Jaffrey
Chief Financial Officer