Ashburton Ventures Inc.
Management Discussion & Analysis
For the Six Month Period Ended October 31, 2016

December 20, 2016

The following management discussion and analysis ("MD&A") is a review of the operations, current financial position and outlook for Ashburton Ventures Inc. ("the Company" or "Ashburton") and should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements and the accompanying notes for the period ended October 31, 2016, which were prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting and are filed on the SEDAR website: www.sedar.com.

The reader should also refer to the Company's audited consolidated financial statements and the accompanying notes for the year ended April 30, 2016, which were prepared in accordance with IFRS.

All dollar figures included herein and in the following discussion and analysis are quoted in Canadian dollars unless otherwise noted.

This MD&A may contain forward-looking statements based on assumptions and judgments of management regarding events or results that may prove to be inaccurate as a result of exploration or other risk factors beyond its control. Actual results may differ materially from the expected results.

FORWARD-LOOKING STATEMENTS

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

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

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

OVERVIEW

The Company was incorporated under the Laws of British Columbia, Canada on November 10, 2006.

The Company is primarily engaged in the acquisition and exploration of exploration and evaluation assets located in Canada and USA.

As a junior mineral exploration company, the Company's core assets are the exploration rights to its mineral properties. The Company's current objective is to seek out and acquire prospective mineral exploration properties in North America with the view to exploring and developing the properties. The Company has acquired several options on land packages since completing its qualifying transactions.

The Company currently has no producing properties, and consequently no operating income or cash flow. The Company is dependent on the equities markets to finance all of its activities and anticipates that it will continue to rely on this source of funding for its exploration expenditures and to meet its ongoing working capital requirements.

The Company's shares are listed for trading on the TSX Venture Exchange ("TSX-V") under the trading symbol ABR.

SIGNIFICANT EVENTS / OVERALL PERFORMANCE

MINERAL PROPERTIES

Buckingham Graphite Project, Quebec

On December 5, 2016, the Company the completion of the ground-based PhiSpy geophysical survey undertaken by DD Geoscience of Ottawa, Ontario on its Buckingham Graphite property located in Southwestern Quebec. The survey's result will allow a short and more focused drilling program (Phase III) that will help define the geometry of the graphite deposit and ultimately obtain a NI 43-101 compliant resource estimate.

The Company also announces that the phase three drilling program has commenced and will expand on previous drilling completed in Q3, 2016.

Furthermore, Ashburton Ventures has sent an 80 kg of bulk sample of graphite-rich core material to the SGS Metallurgical Laboratory to characterize the graphite concentrate such as its mineralogical composition, flake sizes, recoverability and particle distribution and to establish a flotation procedure.

President and chief executive officer Michael England stated: "This program will provide additional data which will be incorporated into an up to date 43-101 being written by Inlandsis Consultants of Montreal, Quebec."

The Buckingham graphite property consists of 18 claims in ranges VIII and IX, Buckingham Township, Quebec, which cover an area of 1,082 hectares. Exploration on the southern part of the claim group has yielded assay results as high as 21.6 per cent Cg (graphitic carbon) over 14.5 metres from channel samples and purity results up to 96.1 per cent Ct (total carbon) from largeflake fractions (see Cavan PR dated July 17, 2014 and May 28, 2015). A first-phase drill program returned assays of 112 meters of 4.07% (see PR dated February 11, 2016) as well as 16 meters of 11.09% Cg and 88 meters of 3.29% Cg. (see PR dated June 23, 2016).

On October 18, 2016, the Company announced that it has completed its summer drilling campaign (Phase 2) on the Buckingham Graphite Property located in southwestern Quebec. Seven diamond drill holes were collared to investigate the northeastern extension of the 1,500 m long, geophysical conductor of which the southwest portion was investigated during the drilling program implemented in December 2015. Three additional holes targeted a sub-parallel, 300 m-long conductor, located 300 m to the west of the main conductor. Graphite bearing formations were intersected in eight of ten holes. A total of 1937 m of drill core was extracted yielding 1066 samples that were analyzed for Cg (including the QA/QC samples).

Mineralized intersections from assay results for each diamond drill holes are summarized in the following table and the location of the DDH presented in the figure below:

Hole ID	Easting	Northing*	Azimuth (°)	Plunge (°)	Depth (m)	From (m)	To (m)	Length (m)#	Cg (wt. %)
BH16-01	460688	5054841	318	-45	200	108	129	21	**2.48**
						146	177	32	**2.22**
						191	200	9	**2.62**
BH16-02	460727	5054891	318	-45	199	69	74	5	**4.45**
						124	149	25	**3.24**
BH16-03	460726	5054890	356	-45	200	87	101	14	**4.33**
						176	200	24	**6.28**
including						*177*	*184*	*7*	***17.90***
BH16-04	460913	5055258	315	-45	200	41	49	8	**2.75**
						94	122	28	**3.88**
including						*106*	*116*	*10*	***5.75***
BH16-05	460852	5055336	0	-45	200	29	34	5	**1.63**
						165	170	5	**1.43**
BH16-06	460361	5055020	326	-45	199	2	72	70	**5.18**
including						*11*	*25*	*14*	***12.52***

Hole ID	Easting	Northing*	Azimuth (°)	Plunge (°)	Depth (m)	From (m)	To (m)	Length (m)#	Cg (wt. %)
BH16-07	460284	5054968	324	-45	199		No significant result		
BH16-08	460762	5055173	164	-45	200	91	101	10	**4.42**
						113	130	18	**3.20**
						148	184	36	**3.34**
BH16-09	460327	5054993			141		No significant result		
BH16-10[&]	460554	5054650	315	-45	199	48	79	32	**2.34**

*UTM coord.: NAD83, Zone 18N

Apparent thickness

& Incomplete hole

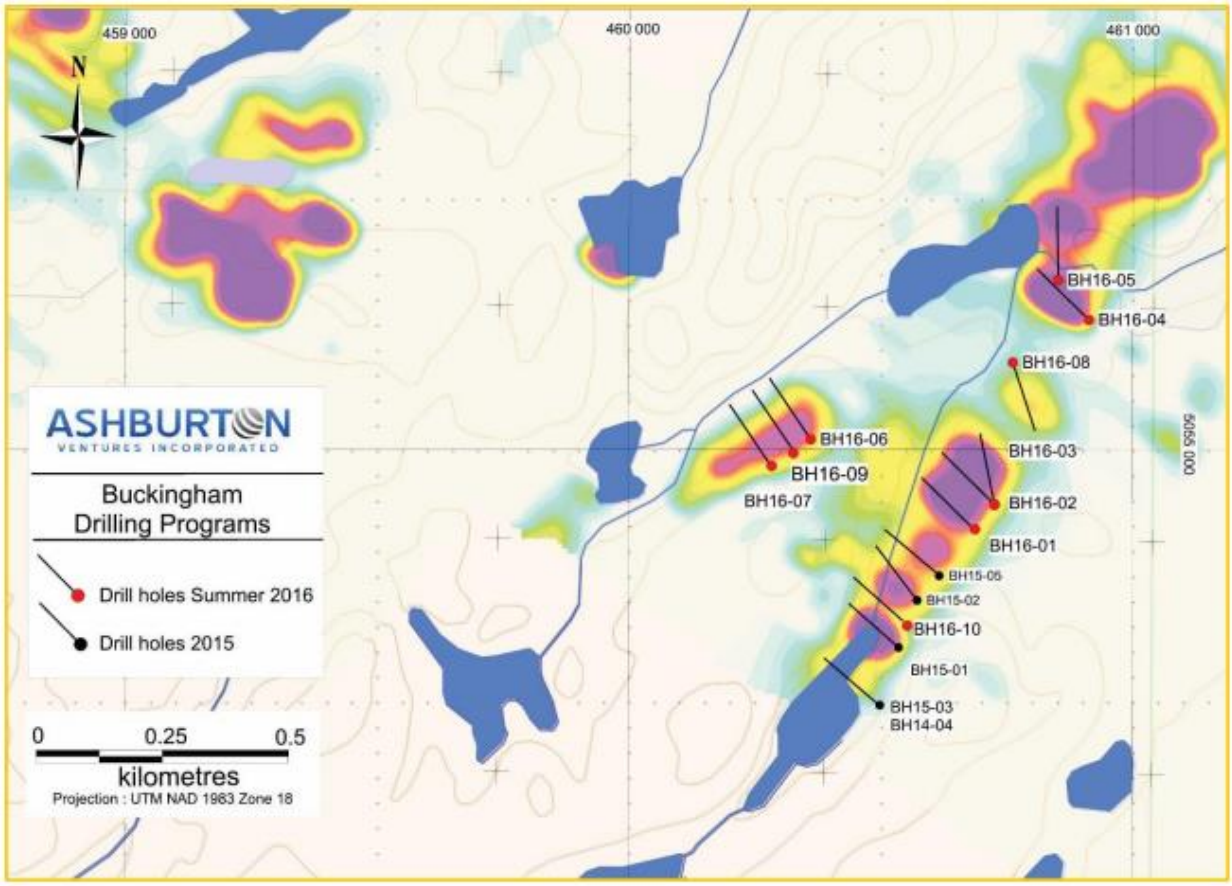
Best obtained drill intersections include:

- 70 m @ 5.18 wt. % Cg including 14m @ 12.52 wt.% Cg (BH16-06)
- 24 m @ 6.28 wt. % Cg including 7 m @ 17.90 wt. % Cg (BH16-03), 28 m @ 3.88 wt. % Cg (BH16- 04) and 25 m @ 3.24 wt. % Cg (BH16-02).
- Other drill holes provided intersections varying from 5 to 32 m with Cg concentrations ranging from 1.63 to 4.45 wt. % Cg (see table above).

Drilling of the principal 1,500m-long geophysical conductor provided significant Cg values throughout its entire length. Hole no. BH16-05 yielded the lowest assays due to the presence of a thick late-magmatic mafic sill devoid of graphite. The diamond drill holes encountered a variety of sedimentary rock types tectonized and metamorphosed during the Grenvillian orogeny, namely paragneiss and marble. Graphite is principally of the "flake type" and occurs in impure marble or intercalated carbonate-bearing garnet- and biotite±hornblende quartzofeldspathic gneisses in concentrations varying from 1 to 25%. Highest concentrations are usually found at the contact between marble and gneisses. Tremolite and diopside marble and skarn, quartzite, lamprophyre dykes, gabbro and amphibolite were observed as subordinate lithologies. Concurrently with the drilling program, limited prospection and mapping led to the discovery of subcroppings of mineralized marble, notably in areas that are yet to be drilled.

These excellent results prompted the Company to implement the next step in the exploration of the Buckingham property. This will include a ground-based geophysics survey aiming to better define the known conductors and to find additional ones coupled with a more focused drilling program that should resume shortly after the hunting season.

All technical information for the Buckingham Graphite Project is obtained and reported under formal quality assurance and quality control (QA/QC) procedures and guidelines following the C.I.M. "Best Practices Guidelines" and National Instrument 43-101 standards of disclosure. The planning, execution and monitoring of Ashburton drilling programs on the Buckingham property were conducted under the supervision of Isabelle Robillard (MSc, geo) and Michel Boily (PhD, geo, Director of Ashburton) both qualified persons as defined by the National Instrument 43-101. Isabelle Robillard has supervised the drilling program including the splitting and sampling of the core material. Ashburton has implemented a QA/QC protocol for drilling, drill core sampling and assaying. The drill core (NQ size) was logged and then selected and sampled by I. Robillard, then cut in half with a core splitter at the project site. Half of the core is retained on site for reference purposes. Sample interval was chosen as one metre. The QA/QC protocol included the insertion and monitoring of appropriate reference materials, in this case high concentration (GGC-04) and low concentration (CDN-GR-1) certified graphite standards, blanks and duplicates, to validate the accuracy and precision of the assay results. Split core samples were directly transported in sealed bags from the drill site to the SGS Laboratory in Lakefield, Ontario for Cg assaying. Sampled were weighed, dried, crushed to 75% passing 2 mm, split to 250g and pulverized to 85% passing 75 microns. C (graphitic) was analyzed after roasting, HCl leaching, combustion and IR (LECO).



Location of the DDH collared by Ashburton on the Buckingham property

On September 15, 2016, the Company announced that it has signed an agreement to increase its stake in the Buckingham project from an option to acquire 60% now up to 80%. To earn the additional percentage the Company has fulfilled the existing option terms to earn its 60% interest, will pay an additional $5,000 cash plus incur an additional $200,000 (incurred) in expenditures to Cavan Ventures Inc.

On November 6, 2015, the Company announced that it has received TSX Venture approval to proceed with its option agreement with Cavan Ventures Inc. to earn a 60% interest in the Cavan Buckingham Graphite Project. The Company plans to commence a 2,000 metre drilling program at Buckingham in the coming weeks for the following consideration:

i) Share issuances
   a) 1,500,000 on or before closing (issued with a value of $22,500).
   b) 1,500,000 on or before October 8, 2016 (issued with a value of $52,500).

ii) Cash payment
   a) $25,000 on or before October 8, 2016 (paid).

iii) Exploration expenditure
   a) incur $200,000 in exploration on or before October 8, 2016 (incurred).
   b) incur cumulative $400,000 in exploration on or before October 8, 2017.

The Buckingham Graphite Property consists of 28 claims in Ranges VIII and IX, Buckingham Township, Quebec which cover an area of 1,683 hectares. Exploration on the southern part of the claim group has

yielded assay results as high as 21.6% Cg (graphitic carbon) over 14.5 metres from channel samples and purity results up to 96.1% Ct (total carbon) from large flake fractions.

A drilling permit has been acquired and the company plans to commence an initial phase of drilling at the project in the coming weeks. The drilling program will consist of up to 2,000 metres and will be aimed at testing high priority targets in the southern area of the claims.

On November 18, 2015, the Company announced that it has mobilized a crew to commence the first phase of drilling at the Buckingham Graphite Project located in Buckingham Township, Quebec. The drilling program will consist of up to 2,000 metres (20 to 40 drill holes) of diamond drill core and will be aimed at testing high priority targets in the southern area of the claims.

The Buckingham Graphite Property consists of 28 claims in Ranges VIII and IX, Buckingham Township, Quebec which cover an area of 1,683 hectares. Exploration on the southern part of the claim group has yielded assay results as high as 21.6% Cg (graphitic carbon) over 14.5 metres from channel samples and purity results up to 96.1% Ct (total carbon) from large flake fractions.

On December 1, 2015, the Company announced that, at the request of IIROC, the Company wishes to clarify the following disclosure. The Company announces that it has completed the first hole in its first-ever drilling campaign at the Buckingham Graphite Project and has identified several broad intervals of flake graphite mineralization from visual analysis.

The Ashburton geological team reports that visual analysis completed of drill core from BH15-01, which targets a large anomaly identified by an airborne time-domain electromagnetic survey (TDEM) (completed by Cavan in mid-2013), has revealed a total of approximately 80 metres of flake graphite mineralization over three major intervals.

The hole collared into disseminated flake graphite mineralization from 3 meters to 14 meters and encountered further graphite mineralization from 70 meters to 100 meters. A third interval of disseminated flake graphite begins at 170 meters and continues until 204 meters. The hole then terminated at 209 meters in a unit of pegmatite containing scattered centimetre-scale graphitic veins, for an additional 5 metres containing “vein-type” mineralization.

These graphitic zones are believed to be the continuation of graphite mineralization exposed in trenches previously completed by Cavan Ventures in 2013, which uncovered graphite mineralization at surface directly above the current drill hole trace. Mineralization in BH15-01 occurs primarily within several discrete - and particularly distinct - metaconglomerate layers within a larger quartz-feldspar paragneissdominated metamorphic unit. Lesser intervals of pegmatite observed within this sequence exhibit veintype graphite in centimetre-scale veins.

Initial core samples are immediately being sent to the lab for analysis. The system is open on all directions and appears to be trending northeast along a distinct trend identified from the airborne TDEM survey and previous trenching. The company wishes to advise readers that this is a preliminary visual analysis only and no assay results have yet been received.

The drill rig is now turning at the next location which targets Trench 22C, which previously yielded channel sample results up to 21.6% Cg over 14.5 metres (Cavan Ventures release, July 17, 2014).

President and CEO Michael England states, “This visual evidence from the first hole at Buckingham is highly encouraging. We now move on to our second drill hole location and feel we are well positioned for an exciting finish to the year and a strong start to 2016."

The Buckingham Graphite Property consists of 28 claims in Ranges VIII and IX, Buckingham Township, Quebec which cover an area of 1,683 hectares. Exploration on the southern part of the claim group has yielded assay results as high as 21.6% Cg (graphitic carbon) over 14.5 metres from channel samples and purity results up to 96.1% Ct (total carbon) from large flake fractions (see Cavan releases, July 17, 2014 & May 28, 2015).

On December 22, 2015, the Company announced that its latest outcrop sampling assay results and the discovery of a new lump-vein graphite-bearing zone at its Buckingham Graphite Project in Southern Quebec.

A total of 18 outcrop samples were taken from two areas: (1) a newly-discovered lump-vein bearing graphitic zone located approximately 300 metres northeast along strike from the current drilling area and; (2) in and around the zone of current drilling.

New Lump-Vein Bearing Graphitic Zone Sampling

Nine outcrop samples were taken from the newly discovered location 300 metres north of the current drilling area and consist of a mixture of disseminated and lump-vein samples. Graphitic showings were sampled over approximately 80 metres in this area, including an exposure consisting of fractured pegmatite measuring at least 30 metres across and containing crystalline lump-vein graphite in fractures. Lump vein samples from this area assayed up to 68.0% Cg and sampling highlights from this area are shown in Table 1.

Drilling Area Sampling

9 outcrop samples were taken in and around the area of current drilling and consist entirely of disseminated graphite. The positive assay results in this area provide further evidence of continuity of mineralization between drilling locations and projection of mineralization identified in drill intervals towards the surface. Highlights from sampling in this area are shown in Table 2.

Readers may refer to the maps available on the Ashburton website for sample locations and drilling: http://www.ashburtonventures.com/?page=project&id=1003

Table 1. Lump-Vein Bearing Graphitic Zone Sampling Highlights:

Sample ID	Mineralization Type	Northing	Easting	Cg %
36566	Disseminated	5055065	460612	14.3
36568	Disseminated	5055041	460605	12.2
36569	Lump vein	5055017	460603	36.0
36570	Lump vein	5055014	460602	68.0
36571	Lump vein + wall rock	5054988	460597	8.82

Table 2. Drilling Area Outcrop Sampling Highlights:

Sample ID	Mineralization Type	Northing	Easting	Cg %
01501	Disseminated	5054897	460586	13.3
01502	Disseminated	5054641	460483	17.1
01505	Disseminated	5054516	460474	20.1
01506	Disseminated	5054528	460461	21.7
01507	Disseminated	5054533	460463	28.6
01508	Disseminated	5054540	460541	18.5
01509	Disseminated	5054554	460446	22.6
01510	Disseminated	5054556	460454	26.4

Samples were treated at SGS Lakefield, Ontario, using method number GE/GO/GC_CS and code A05V. Graphitic carbon was determined by multistage furnace treatment and infrared detection on LECO instrumentation.

The technical contents of the December 22, 2015 release were approved by Mr. Case Lewis, P.Geo., Director of the Company and a Qualified Person as defined by National Instrument 43-101.

On January 11, 2016, the Company announced that it has completed the first phase of drilling at its Buckingham Graphite Project in southern Quebec which consisted of five (5) holes totaling approximately 1,033 metres.

The five completed drill holes were aimed at testing targets generated by a combination of electromagnetic anomalies revealed by a TDEM (time-domain electromagnetic) survey and high-grade graphitic showings identified in trenches, which returned grades as high as 21.6% Cg (graphitic carbon) over 14.5 metres in channel samples (see Cavan Ventures Inc. release, July 17, 2014).

Holes BH15-04 and BH15-05, which were completed in late December, exhibit similar visual graphite mineralization as observed in the first three completed holes (BH15-01, -02, and -03).

Core samples have been shipped to SGS Canada Inc. in Lakefield, Ontario. The Company expects the first round of assays to be completed shortly and will release results as they are received.

Purity tests on the property have yielded values as high as 96.1% Ct (total carbon) from large flake fractions (see Cavan Ventures Inc. release May 28, 2015).

On January 26, 2016, the Company announced assay results from the first hole, BH15-01, from its recent drilling program at its Buckingham Graphite Project in southern Quebec.

Hole BH15-01, which targeted a broad, 1,500-metre long, northeast-trending geophysical anomaly encountered a total of 76.1 metres of disseminated graphite mineralization, hosted primarily within marble units, and reached a total depth of 209 metres. Hole information and assay results are summarized in Tables 1 & 2 and the Drilling Summary section below.

Table 1. Drill Hole Location Data

Hole ID	Easting	Northing	Azimuth	Dip	Total Depth (m)
BH15-01	460539	5054590	310	-50.0	209.0

Coordinate system: NAD83 UTM Zone 18N

Table 2. Summary of Significant Assay Data

Hole ID	From (m)	To (m)	Interval Length (m)	Graphitic Carbon (Cg) %
BH15-01	3.7	15.0	11.3	1.81
BH15-01	70.0	106.0	36.0	2.51
including	73.0	85.7	12.7	4.16
BH15-01	175.0	203.8	28.8	8.36
including	185.0	193.0	8.0	17.7

Drilling Summary: BH15-01

Lithologies encountered in BH15-01 consist dominantly of intercalated quartzofeldspathic paragneiss and generally graphite-bearing coarse-textured marble units. Minor pegmatite intrusions were encountered, notably in the lowermost 5 metres of the hole.

Graphite mineralization within BH15-01 is hosted dominantly within coarse, pebbly-textured marble units and occurs as disseminated, millimetre-scale flakes. The hole also encountered a small amount of vein-hosted graphite within a narrow pegmatite interval at the bottom of the hole, indicating the presence of vein graphite in the area. Note that in December 2015, a 30-metre wide outcrop with lump-vein graphite hosted in fractures assaying up to 68.0% Cg was discovered approximately 300 metres north of the drilling area (see ABR release, December 22, 2015).

Based on structural measurements taken from the drill core and from trenches directly above the drill hole, it is inferred that the foliation (and therefore, the mineralized layers) displays a general northeast strike and a roughly sub-vertical dip. This correlates very closely with the anomalous trend identified by the TDEM (time-domain electromagnetic) survey conducted on the property, which trends roughly northeast (~035°).

The structural picture of the mineralized zone will be expanded upon further as the Company analyzes the logging data in conjunction with assay results from the remaining four holes. The Company will release updates on this development in upcoming releases.

Cross sections and maps will be available on the Ashburton website. See link below for details: http://www.ashburtonventures.com/?page=project&id=1003

Samples were treated at SGS Lakefield, Ontario, using method number GE/GO/GC_CS and code A05V. Graphitic carbon was determined by multistage furnace treatment and infrared detection on LECO instrumentation. Duplicates, standards and blanks were inserted at regular intervals for QA/QC purposes.

The technical contents of this release were approved by Mr. Case Lewis, P.Geo., director of Ashburton and a qualified person as defined by National Instrument 43-101.

On February 11, 2016, the Company announced new assay results from BH15-03, the best hole to date of its ongoing drilling program on the Company's Buckingham Graphite Project located in southern Quebec. Additional results are still pending.

Drilling and Assay Results: BH15-03

Hole BH15-03 encountered 139.0 metres of disseminated graphite mineralization, hosted primarily within marble units, and reached a total depth of 224 metres terminating in mineralization. The hole was collared approximately 110 metres southwest of BH15-01, along strike of a broad, 1,500-metre long, northeasttrending geophysical anomaly. Hole information and assay results are summarized in Tables 1 & 2 and the Drilling Summary section below.

Table 1. Drill Hole Location Data

Hole ID	Easting	Northing	Azimuth	Dip	Total Depth (m)
BH15-03	460503	5054494	310	-50.0	224.0

Coordinate system: NAD83 UTM Zone 18N

Table 2. Summary of Significant Assay Data

Hole ID	From (m)	To (m)	Interval Length (m)	Graphitic Carbon (Cg) %
BH15-03	**30.0**	**54.0**	**24.0**	**3.05**
including	46.0	52.0	6.0	6.63
BH15-03	95.0	98.0	3.0	5.41
BH15-03	**112.0**	**224.0**	**112.0**	**4.07**
including	166.0	173.0	7.0	11.2
including	198.0	203.0	5.0	8.45

Geological Summary: BH15-03

Lithologies encountered in BH15-03 consist of generally graphite-bearing, coarse-textured marble units intercalated with lesser quartzofeldspathic paragneiss. Minor pegmatite intrusions were encountered.

Similar to previous holes, graphite mineralization within BH15-03 is hosted dominantly by coarse, pebbly-textured marble units and occurs as disseminated, millimetre-scale flakes.

Structural measurements from BH15-03 were similar to those from BH15-01. Data provided by the drill core and from trenches situated directly above the drill hole suggest that the foliation (and therefore, the mineralized layers) strikes generally northeast and presents a roughly sub-vertical dip. This correlates closely with the anomalous northeast-oriented geophysical trend (~035°) identified by the TDEM (timedomain electromagnetic) survey conducted on the property.

These drill intervals represent apparent thicknesses. True widths will be determined after analysis of drill data is completed.

On June 23, 2016, the Company announced new assay results from holes BH15-02, BH15-04 and BH15-05 of its ongoing drilling program on the Company's Buckingham Graphite Project located in southern Quebec.

Drilling and Assay Results: BH15-02, 03 and 05

Hole BH15-02 was targeting the extension at depth of a graphite mineralized trench yielding an average value of 18.16 wt. % Cg. The trench lies on a 1,500 m-long, NE-trending TDEM (Time Domain ElectroMagnetic) geophysical anomaly. The drill core revealed silicified and sulphide-bearing quartz-biotite paragneiss with rare marble and occasional pegmatite intrusions.

Hole BH15-04, reaching a depth of 200 m, intersected 16 m of disseminated, millimeter-scale flakes of graphite mineralization, hosted primarily within marble units. The hole was collared on the same site as hole BH15-03 (310°/-50°), plunged at -70° and is situated approximately 110 m southwest of BH15-01 along strike the TDEM geophysical anomaly. Hole BH15-05 was collared farther to the NE approximately 280 m from the position of hole BH15-04.

BH15-05 intersected disseminated graphite mineralization for nearly 129 m within alternating sequences of marble and quartz-biotite paragneiss accompanied by sporadic quartz veins and pegmatite dykes. Structural measurements from the drill core and the trenches situated directly above the drill holes location suggest the foliation and therefore the mineralized layers, strikes generally NE with a sub-vertical dip. The DDH coordinates and assay results are presented in Table 1 below. The assay results from the last three drill holes corroborate those obtained from two previous holes (DDH15-01and 03) which yielded Cg values of: 36 m @ 2.51 wt.% and 29 m @ 8.36 wt. % (DDH15-01) and 24 m @ 3.05 wt. % and 112 m @ 4.07 wt. % (BH15-03) (ABR Press Releases of January 26 and February 11, 2016).

Table 1. Best graphite assay results and coordinates for DDH BH15-02, 04 and 05

DDH no.	Easting*	Northing	Azimuth (°)	Plunge (°)	Depth (m)	From (m)	To (m)	Interval (m)&	Cg (wt. %)
DDH15-02	460575	5054700			200	113.0	116.1	**3.1**	**3.36**
						162.0	174.0	**12.0**	**2.07**
						187.7	200.0	**12.3**	**2.86**
DDH15-04	460503	5054494	310	70	200	51.0	67.0	**16.0**	**11.09**
DDH15-05	460618	5054751			200	68.0	81.0	**13.0**	**2.43**
						109.0	197.0	**88.0**	**3.29**
					Incl.	129.0	162.0	**33.0**	**4.94**

**NAD83 UTM Zone 18N*

& Apparent thickness

Samples were treated at SGS Lakefield, Ontario, using method number GE/GO/GC_CS and code A05V. Graphitic carbon was determined by multistage furnace treatment and infrared detection on LECO instrumentation. Duplicates, standards and blanks were inserted at regular intervals for QA/QC purposes.

On July 13, 2016, the Company announced that all drilling and access permits and approvals have been received and the company is mobilizing a crew to commence a second phase drill program on its Buckingham Graphite property located in Southwestern Quebec. The program will expand on previous drilling completed in late 2015. The initial drilling program will consist of up to 1,000 metres of core drilling and will be aimed at further testing the 1.1 km long, northeast-oriented geophysical conductor, located on the southern part of the property.

On September 1, 2016, the Company announced that it has completed 6 diamond drill holes (1200 m) on its Buckingham Graphite Property located in southwestern Quebec. The first five holes tested the northeastern extension of the 1.1 km long, geophysical conductor of which the southwest portion was investigated during the drilling program implemented in December 2015. An additional hole targeted a parallel, 300 m-long conductor, located 300 m to the west of the main conductor. Graphite bearing formations were intersected in each hole.

Graphite was generally found in in impure marble-rich layers intercalated among garnet- and biotitequartzofeldspathic gneisses. Encouraged by the success of the ongoing second phase drill program, two additional holes are in the process of being drilled, bringing the total number of holes to eight with a cumulative of 1,600 m of core. The drilling program will be completed by September 16th, 2016. Up until now, 711 samples were sent to SGS Lab of Lakefield, Ontario, and results are pending.

Thompson Bros. Lithium Property, Manitoba

On April 21, 2016, the Company entered into a property option agreement for the Thompson Bros Lithium Property. ("April 21, 2016 option agreement") In return for 100% interest in the property, the Company must make the following cash payments and shares issuances to the optionor:

i) A cash payment of $25,000 (paid) and issue to the optionor 500,000 shares of the Company (issued).
ii) Cash payment of $50,000 and 500,000 shares of the Company on or before April 21, 2017.
iii) Cash payment of $100,000 and 500,000 shares of the Company on or before April 21, 2018.
iv) Cash payment of $100,000 and 500,000 shares of the Company on or before April 21, 2019.
v) Cash payment of $100,000 and 500,000 shares of the Company on or before April 21, 2019.
vi) Cash payment of $125,000 and 500,000 shares of the Company on or before April 21, 2019.

The Company must also incur $1,500,000 of expenditures relating to the property on or before the 60-month anniversary of the effective date.

The property is subject to a 2% NSR, of which 1% may be repurchased by the Company, by making a cash payment of $1,000,000.

On April 25, 2016, the Company entered into a binding heads of agreement with Manitoba Minerals Pty Ltd ("MMPL"), a company incorporated under the laws of the Commonwealth of Australia. MMPL and the Company hereby acknowledge and agree that MMPL has an undisputed right to back-in to 80% ownership of the Thompson Bros Lithium property by satisfying the following terms:

i) Funding all of the Company's cash obligations relating to the April 21, 2016 option agreement up to $500,000.
ii) Fund the work program expenditures required in the April 21, 2016 option agreement for a minimum of $1,500,000 over 60 months.
iii) MMPL will acquire 3,000,000 common shares of the Company for $150,000 (received subsequent to year end) and use such shares to meet the share obligation relating to the April 21, 2016 option agreement.

Subsequent to earning 80%, but prior to completion of a Pre-Feasibility Study, MMPL has the right to acquire a further fifteen percent holding in the Thomson Bros Lithium property from the Company for $1,000,000.

The Thompson Bros. Lithium Property is located in Wekusko Lake, 20km east of the mining community of Snow Lake, Manitoba. The main highway to Thompson and Flin Flon, plus the railway to the Winnipeg and the seaport of Churchill passes 40 km south of the property. The property consists of 18 contiguous claims covering 1829 hectares. Manitoba is one of the top rated mining jurisdictions in the world and electricity costs are amongst the lowest in North America.

Whabouchi West and Whabouchi South,

On April 18, 2016, the Company announced it has signed an agreement to acquire the Whabouchi South property bordering Nemaska Lithium Inc.'s (NMX-TSX:V) Whabouchi project. The property is comprised of one block of eleven mineral licenses ("claims") located to the south of Nemaska Lithium. The property is also

on geological strike with Nemaska's Whabouchi mine, the viability of which was supported in NMX's feasibility report released April 4, 2016. The property is less than 1.2 km south of Nemaska's planned mine site, shown to hold the world's second largest and richest deposit of spodumene - the source of lithium - in the world, with 27,000,000 tonnes of proven and probable resources, with an estimated mine life span of 26 years.

Cumulative terms of the option agreement call for the Company to issue to the Vendors 8,500,000 common shares (3,000,000 shares issued) in the capital of ABR over a five year period, make cumulative cash payments totaling $325,000 ($25,000 paid) over 4 years plus grant a 2.0% Royalty on Net Smelter Returns. the Company may, in its sole discretion but without obligation, purchase 1% of the Royalty for cancellation in consideration of $1,000,000. This transaction is subject to TSX Venture approval.

On April 28, 2016, the Company announced an initial ground based geophysical program is set to commence in the coming week at its Whabouchi South Lithium Project adjoining Nemaska Lithium Inc. Whabouchi Project.

the Copmany's Whabouchi South Lithium borders Nemaska Lithium Inc.'s Whabouchi project to the south and is less than 1.2 km south of Nemaska's planned mine site.

On May 20, 2016, the Company announced it has signed an agreement to acquire the Whabouchi West property and the Whabouchi South Extension block from an arm's length vendor.

The Whabouchi West property borders the western side of Nemaska Lithium Inc.'s (NMX-TSX:V) Whabouchi project. The property comprises one block of six mineral licenses ("claims") located on geological strike with Nemaska Lithium's proposed Whabouchi mine, the viability of which was supported by a NMX's feasibility report released on April 4, 2016. The property is located less than 3 km west of Nemaska's planned mine site, shown to contain the world's second largest and richest deposit of spodumene - the source of lithium - in the world, with 27,000,000 t of proven and probable resources and an estimated mine life of 26 years.

The South Whabouchi Extension block is defined by eleven claims contiguous to the southern limit of the Company's Whabouchi South property. The acquisition of the South Whabouchi Extension property block will double the size of the Whabouchi South property to 1176 hectares (11.8 km2). With the acquisition of 17 new claims, Ashburton has increased its total holdings surrounding Nemaska Lithium's property project to 1496 hectares (15.0 km2) from the original 588 hectares (5.9 km2).

Cumulative terms of the option agreement call for the Company to issue to the Vendors 2,500,000 common shares (1,250,000 shares issued) in the capital of the Company and a cash payment of $5,000 (paid) plus grant a 2.0% Royalty on Net Smelter Returns. The Company may, in its sole discretion but without obligation, purchase 1% of the Royalty for cancellation in consideration of $1,000,000. This transaction is subject to TSX Venture approval.

On May 26, 2016, the Company announced a successful initial ground magnetic and VLF survey at its Whabouchi South property adjacent to Nemaska Lithium Inc.'s (NMX-TSX:V) Whabouchi project and less than 1.2 km south of Nemaska's planned mine site, holding the world's second largest and richest deposit of spodumene, the source of lithium. The deposit contains 27,000,000 tonnes of proven and probable resources, with an estimated mine life span of 26 years (see Nemaska PR dated April 4, 2016). Ashburton's survey was carried out in early May 2016 and targeted the northwestern area of the Company's 1176 hectares (11.8 km2) property. Ashburton's total holdings, adjoining both the southern and western boundaries of Nemaska Lithium's property, is 1496 hectares (15.0 km2).

The magnetic survey highlighted a slight magnetic high that extends in a northeasterly direction across the surveyed area. The magnetic high is 500 m in length along strike, displays a width up to 150m (L40N/400E

to L35N/0E) and appears to be open in both directions. This zone is on strike with the proposed Nemaska Lithium's open pit (Whabouchi deposit) located approximately 1 km to the northeast. The moderate to low magnetic contrast probably reflects metavolcanic (high) and metasedimentary (low) lithologies. Although the rock exposure is scarce within the surveyed area, three granitic rock samples were collected along the magnetic high determined between L39N and L40N. Samples will be submitted for Li and other rare metal analysis. The remainder of the property will be subjected to a combined Magnetometer and VLF surveys followed by a prospecting and sampling program.

On July 6, 2016, the Company announced that it has commenced phase 2 of the exploration program on its Whabouchi South lithium project directly adjacent and on strike with the Nemaska Lithium Whabouchi deposit. The program will consist of geochemical sampling as well as detailed mapping to follow up on the first phase geophysical program.

Phase 2 will entail mapping and sampling of the property, with a emphasis on the NW corner of the claims which appears to be on strike with the Nemaska Lithium Deposit and is most likely to reveal Lirich pegmatites.

Elon Lithium Property, Nevada

In September 2015, the Company announced that it has acquired the "Elon" lithium claims in the Clayton Valley lithium district of Nevada. The property consists of 6 parcels of land directly bordering Pure Energy's (PE--TSX.V) Clayton Valley Deposit.

Purchase price of the "Elon" lithium claims from a non-arms length vendor for a 100% interest is 5,000,000 shares (issued at a value of $50,000).

On February 26, 2015, the Company announced that it acquired additional lanholdings in the Clayton Balley, Nevada. These new claims are contiguous to the existing Elon claims already held by the Company. The purchase price for the additional claims was 3,500,000 shares (issued at a value of $52,500).

On October 5, 2015, the Company announced that it has claims in the Clayton Valley lithium district of Nevada. These new claims consist of 6 additional parcels of land directly bordering Pure Energy's (PE--TSX.V) Clayton Valley Deposit. Clayton Valley is the site of the only lithium brine production operation in North America which has been in production since 1966.

In October 2015, the Company announce it has engaged Aurora Geosciences Inc. (Whitehorse, YK) to arrange and perform an upcoming work program at its recently acquired "Elon" lithium claims in the Clayton Valley lithium district of Nevada . The property consists of 12 parcels of land directly bordering Pure Energy's (PE--TSX.V) Clayton Valley Deposit.

On January 14, 2016, the Company announced a geochemical sampling program on its Elon Lithium project directly bordering Pure Energy's (PE--TSX.V) Clayton Valley Deposit is set to commence in the coming weeks. The work will be performed by Aurora Geosciences Ltd.

On January 21, 2016, the Company announced it has completed an initial examination of the Elon Lithium Property in Clayton Valley, Nevada. A geological crew conducted surface sediment sampling, collecting a series of samples from ten 3 m deep holes distributed across the property. The crew noted that a drill rig is completing a hole approximately 800 m east of the southeast corner of the property on adjoining ground held by Pure Energy Ltd. Samples will be sent to ALS Minerals in Reno, Nevada, results will be announced once received.

"Completing the first work program on Elon as our neighbor's drill so close to our boundary indicates to us we are in the right neighborhood and we eagerly look forward to our initial results." stated Michael England, CEO of Ashburton Ventures.

Assay results from the recently completed drill program on the Buckingham graphite project in Quebec are expected to arrive in the near term and will be press released once interpreted.

On February 22, 2016, the Company announced it had received assay results from its recent work program on the 100% owned Elon claims located in Clayton Valley, Nevada. Eleven samples were submitted to ALS Minerals in Reno, Nevada and all have come back with positive lithium numbers.

The program consisted of surface sediment sampling from various locations across the property.

Property	Sample Number	Sample Type	Depth (m)	Recvd Wt. kg	Li (ppm)*
Elon	K952825	soil	2.1	0.76	113.5
Elon	K952826	soil	3	0.83	126
Elon	K952827	Soil	3	0.84	104
Elon	K952828	Soil	3	0.75	140.5
Elon	K952829	Soil	3	0.87	146.5
Elon	K952830	Soil	3	0.61	111
Elon	K952831	Soil	3	0.72	107.5
Elon	K952832	Soil	2.8	0.91	124.5
Elon	K952833	Soil	3	0.83	118
Elon	K952834	Soil	3	0.89	117
Elon	K952835	Soil	3	1	134

Aurora Geosciences Ltd. conducted the sampling on the Property and submitted 11 samples from the Elon property to ALS Minerals in Reno NV for analysis. The samples were crushed, split, a portion was pulverized and a one (1) gram aliquot analyzed by ALS Chemex method ME-MS61 (48 element, including lithium, four acid ICP-MS).

Roger Hulstein, B.Sc., P.Geo., a member of the Association of Professional Engineers and Geoscientists of British Columbia, is a Qualified Person as defined by National Instrument 43-101, and is responsible for the accuracy of the technical information in this February 22, 2016 press release.

Hackett Claims, British Columbia

On May 28, 2013, the Company put out a news release on www.sedar.com announcing that it has staked mineral tenures adjacent to the Doubleview Capital Corp.'s (TSX-V: DBV) Hat Cu-Au property located in the prolific Stikine district of northwestern British Columbia. Doubleview recently announced commencement of a 2,000m drill hole program (see Doubleview Capital Corp. news release, May 2nd, 2013). The Hackett claims adjoin the eastern border of the Hat property, and cover 852 contiguous hectares. Volcanic-sedimentary assemblages and intrusive rocks on the property are similar and are believed to be part of the Stuhini Group, presently the focus of heightened exploration activity in northern British Columbia. Historical aeromagnetics for the project identified a magnetic high on the southern portion of the claims (B.C. Minfile Report #18158, 1988). Additional historical data are under review, in anticipation of mapping, sampling and geophysics to take place this summer.

On February 3, 2014, the Company put out a news release on www.sedar.com announcing that it has staked additional mineral tenures (444 hectares) in the Sheslay Valley to be included in the Company's Hackett Project which is contiguous to the Doubleview Capital Corp. (TSX-V: DBV) Hat Cu-Au property.

The original Hackett claim group adjoins the eastern and southern borders of the Hat property. During recent flyovers at Hackett, a large gossanous zone along the western portion of the property was observed from the air. The western edge of Hackett is within 1,000 meters of Doubleview's discovery drill holes that indicate the strong potential for a copper-gold alkalic porphyry-type deposit (see Doubleview Capital Corp. news release, January 20, 2014). This gossan will be the subject of an early work program including sampling and mapping, as soon as weather permits, in order to prioritize potential drill targets. Volcanic-sedimentary assemblages and intrusive rocks at the Hackett and Hat properties are similar and are believed to be part of the Stuhini Group, presently the focus of heightened exploration activity in northern British Columbia. Historical aeromagnetics for the Hackett identified a magnetic high on the southernportion of the claims (B.C. Minfile Report #18158, 1988).

The technical contents of the February 3, 2014 news release posted on www.sedar.com were approved by Marvin A Mitchell, P. Eng., a qualified person as defined by National Instrument 43-101. The property described in the February 3, 2014 news release has not been the subject of a National Instrument 43-101 report, and Mr. Gray has not verified the technical data disclosed in the February 3, 2014 news release.

On May 9, 2014, the Company put out a news release on www.sedar.com announcing that it has mobilized crews for a Phase 1 exploration program at its 100%-owned Hackett Property in northwest British Columbia's Sheslay district. The Hackett is contiguous to Doubleview Capital Corp.'s Hat Property where Cu-Au porphyry discovery holes HAT-08 and HAT-11 are within approximately 1 km of Ashburton's property boundary, while Doubleview has also recently completed a follow-up drill program (see Doubleview news release April 30, 2014).

On April 23, 2015, the Company has arranged an initial work program to commence the 2015 field season on its 100% owned Hackett property in the Sheslay Valley. The Hackett property is contiguous to the Doubleview Capital Corp. (TSX-V: DBV) Hat Cu-Au property. The 2,130 hectare Hackett claim group adjoins the eastern and northern borders of the Hat property. During last season flyovers at Hackett, a large gossanous zone along the western portion of the property was observed from the air and will now be the subject of an early work program. The western edge of Hackett is within 1,000 metres of Doubleview's discovery drill holes that indicate the strong potential for a copper-gold alkalic porphyry-type deposit (see Doubleview Capital Corp. news release, February 3, 2015). Approximately 300 metres west of the Hackett, on the Doubleview ground adjoining the southwestern border of the Hackett property, assays from the historical Hoey showing report up to 6,600 parts per billion Au and historical aeromagnetics on the Hackett property define a magnetic high on the southern claims (W. Thompson, 1988, B.C. Minfile report No. 18158). No drilling has ever been carried out on this property.

RISKS AND UNCERTAINTIES

The Company is engaged in the acquisition and exploration of mineral deposits. These activities involve significant risks which careful evaluation, experience and knowledge may not, in some cases eliminate the risk involved. The commercial viability of any material deposit depends on many factors not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade, proximity to infrastructure. Government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations, have an impact on the economic viability of a mineral deposit.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts revenues and expenses during the reporting year. Actual results could differ from those estimates.

Annual losses are expected to continue until the Company has an interest in a mineral property that produces revenues. The Company's ability to continue its operations and to realize assets at their carrying values is

dependent upon the continued support of its shareholders, obtaining additional financing and generating revenues sufficient to cover its operating costs. The Company's accompanying financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

Any forward-looking information in this MD&A is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the company and other factors.

RESULTS OF OPERATIONS

Revenues

Due to the Company's status as an exploration and development stage mineral resource company and a lack of commercial production from its properties, the Company currently does not have any revenues from its operations. Its only source of revenue is interest income.

General and Administrative Expenses

The Company incurred a loss and comprehensive loss $199,924 for the three month period ended October 31, 2016 compared with $108,200 in the same period in the prior year.

A brief explanation of the significant changes in expenses by category is provided below:

- Office and administration fees increased to $43,732 (2015 - $26,980). Office is primarily a result of office costs contemplated in an agreement between the Company and a related party. The office costs include rent, and various administrative costs including office personnel.
- Share-based compensation increased to $78,500 (2015 - $Nil) due to stock options granted during current period.
- Transfer agent and filing fees increased to $25,519 (2015 - $7,058) due to more filings in the current period.

The Company incurred a loss and comprehensive loss $317,799 for the six month period ended October 31, 2016 compared with $216,575 in the same period in the prior year.

A brief explanation of the significant changes in expenses by category is provided below:

- Consulting fees increased to $81,259 (2015- $60,700) due to increased activities in the current period.
- Office and administration fees decreased to $64,110 (2015 - $55,877). Office is primarily a result of office costs contemplated in an agreement between the Company and a related party. The office costs include rent, and various administrative costs including office personnel.
- Share-based compensation increased to $78,500 (2015 - $Nil) due to stock options granted during current period.
- Transfer agent and filing fees increased to $38,237 (2015 - $7,754) due to more filings in the current period.
- Travel and entertainment increased to $3,371 (2015 - $732) due to increased activities in the current period.

SUMMARY OF QUARTERLY REPORTS

Results for the most recent quarters ending**:**

	For the Three Months Ended			
	October 31, 2016	July 31, 2016	April 30, 2016	January 31, 2016
Revenue	$ Nil	$ Nil	$ Nil	$ Nil
Loss and comprehensive loss	(199,924)	(117,875)	(161,321)	(234,157)
Exploration and evaluation assets	1,179,803	738,515	409,137	349,664
Total assets	1,454,739	1,392,781	423,656	419,913
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)	(0.00)

	October 31, 2015	July 31, 2015	April 30, 2015	January 31, 2015
Revenue	$ Nil	$ Nil	$ Nil	$ Nil
Loss and comprehensive loss	(108,200)	(108,374)	(145,016)	(79,391)
Exploration and evaluation assets	182,702	94,202	94,202	155,055
Total assets	289,972	196,771	201,351	207,092
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)	(0.01)

Fluctuations in the Company's expenditures reflect the seasonal variations of exploration and the ability of the Company to raise capital for its projects.

Variations in losses occurred during quarters where stock-based compensation was recorded, where higher professional fees were incurred and where exploration and evaluation assets were written off. Also as the Company attends to more projects, administrative expenses also increase to support the operation of these projects.

LIQUIDITY AND CAPITAL RESOURCES

As at October 31, 2016, the Company's shareholders' deficiency was $688,819. The October 31, 2016 condensed consolidated interim financial statements on www.sedar.com were prepared in accordance with IFRS on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The continuation of the Company is dependent upon the continuing financial support of creditors and stockholders, refinancing debts payable, obtaining additional long term debt or equity financing, as well as achieving and maintaining a profitable level of operations. The Company believes it will require additional working capital to meet operating and exploration costs for the upcoming year.

During the period from May 1, 2016 to December 20, 2016, the Company:

i) issued 3,000,000 common shares in consideration for the acquisition of Whabouchi South property.

ii) completed the first tranche of a non-brokered flow through private placement of 10,300,000 units at a price of $0.05 per unit for gross proceeds of $515,000. Each unit consists of one flow through common share and one non-flow through Share purchase warrant of the Company. Each warrant will entitle the holder to acquire one share of the Company at a price of $0.075 per share for a period of

12 months from the date of issuance. The Company paid a cash commission to the finders totalling $38,800, issued 485,000 finder's shares and issued 485,000 finder's warrants exercisable for 12 months at $0.075.

iii) completed the first tranche of a non-brokered private placement of 500,000 shares at a price of $0.05 per share for gross proceeds of $25,000 in relation to the Thompson Bro's lithium property acquisition. The shares issued pursuant to the private placement are subject to four-month resale restriction that expires on September 28, 2016.

iv) completed the second and final tranche of a non-brokered flow through private placement of 5,850,000 units at a price of $0.05 per unit for gross proceeds of $292,500. Each unit consists of one flow through common share and one non-flow through share purchase warrant of the Company. Each warrant will entitle the holder to acquire one share of the Company at a price of $0.075 per share for a period of 12 months from the date of issuance. The Company paid a cash commission to the finders totalling $24,600, issued 292,500 finder's shares and issued 292,500 finder's warrants exercisable for 12 months at $0.075.

v) issued 650,000 common shares upon exercise of options for gross proceeds of $32,500.

vi) issued 1,648,000 common shares upon exercise of warrants for gross proceeds of $82,400.

vii) issued 1,250,000 common shares in consideration for the option agreement for the Whabouchi West Property.

viii) completed a non-brokered private placement of 2,500,000 shares at a price of $0.05 per share for aggregate gross proceeds of $125,000. The shares are subject to a hold period until November 19, 2016.

ix) completed a non-brokered private placement of 4,600,000 units at a price of $0.05 per unit for gross proceeds of $230,000 of which $140,000 was for settlement of various debts. Each unit consisted of a common share and a share purchase warrant of the Company. The warrants are exercisable at $0.06 until August 23, 2017. The shares and warrants issued are subject to a hold period until December 24, 2016.

RELATED PARTY TRANSACTIONS

The Company defines key management as officers and directors. For the period ended October 31, 2016, the Company had the following transactions with key management, being related parties:

a) Paid or accrued management fees of $51,000 (2015 - $51,000) to a company owned by the Company's Chief Executive Officer ("CEO") for fees to directors and officers.

b) Paid or accrued administration costs, recorded as office expense, of $36,625 (2015 - $55,313) to a company owned by the Company's CEO.

c) Paid or accrued $26,050 (2015 - $Nil) to a director of the Company for consulting fees.

During the period ended October 31, 2016, a company owned by the Company's CEO made advances to the Company of $Nil (April 30, 2016 - $24,250). At October 31, 2016, $Nil (April 30, 2016 - $5,030) remained in accounts payable.

Included in prepaid expenses as at October 31, 2016 is $3,524 (April 30, 2016 - $3,524) paid to a company owned by the Company's CEO and CEO.

Included in accounts payable as at October 31, 2016 is $405,432 (April 30, 2016 - $452,926) owed to a company owned by the President, CEO and director.

FINANCIAL INSTRUMENTS, RISKS AND UNCERTANTIES

Fair values

The fair values of cash and marketable securities are measured under level one of the fair value hierarchy. The fair value of receivables, and accounts payable, loan payable and accrued liabilities approximate their book values because of the short-term nature of these instruments.

Financial instrument risk exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

Credit risk
Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes cash and receivables. The Company reduces its credit risk by maintaining its bank accounts at large international financial institutions. The Company's receivables consist primarily of tax receivables due from a federal government agency.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operating activities and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

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

a) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term demand deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit rating of its banks.

b) Foreign currency risk

The Company is exposed to nominal foreign currency risk.

c) Price risk
The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations may be significant.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

CHANGES IN ACCOUNTING POLICIES AND FUTURE ACCOUNTING PRONOUNCEMENTS

Please refer to the condensed consolidated interim financial statements for the period ended October 31, 2016 located on www.sedar.com.

OUTSTANDING SHARES, STOCK OPTIONS AND WARRANTS

As of December 20, 2016, the Company had the following outstanding:

Common shares – 123,790,592 outstanding

Stock options:

Options Outstanding	Exercise Price	Expiry Date
3,250,000	$0.05	22-Mar-17
700,000	0.05	11-Apr-17
1,500,000	0.05	28-Apr-17
950,000	0.05	2-Dec-17
1,000,000	0.05	4-Dec-17
225,000	0.10	12-Mar-18
330,000	0.07	29-Aug-18
50,000	0.05	22-Jan-19
150,000	0.06	26-Feb-19
8,155,000		

Warrants:

Warrants Outstanding	Exercise Price	Expiry Date
10,785,000	0.08	27-May-17
6,142,500	0.08	10-Jun-17
4,600,000	0.06	23-Aug-17
4,950,000	0.10	25-Jul-18
26,477,500		

PROSPOSED TRANSACTIONS

The Company has no proposed transactions.

CONTINGENCIES

There are no contingent liabilities.

OTHER MD&A REQUIREMENTS

Additional disclosure of the Company's technical reports, material change reports, news releases and other information can be obtained on SEDAR at www.sedar.com.

BOARD OF DIRECTORS

On May 19, 2016, the Company announced the addition of Dr. Michel Boily, M.Sc,Ph.D, geo and Mr. David Gdanski, to the board of directors.

CHANGE IN MANAGEMENT

On September 22, 2016, the Company announced that John Masters will replace Ms. Seung Oh as the Chief Financial Officer of the Company effective immediately. Mr. Masters has been a business administration consultant since 2007, and has held and holds numerous board and executive officer positions with various junior exploration issuers. John is also currently Corporate Secretary of the Company. The Company thanks Ms. Oh for her significant contributions over the years and wishes her the best in her future endeavours.