WESTERN PACIFIC
RESOURCES CORP.

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS

For the three months ended May 31, 2016

General

This Interim Management's Discussion and Analysis ("Interim MD&A") supplements, but does not form part of, the unaudited condensed consolidated interim financial statements of Western Pacific Resources Corp. ("the Company") for the three months ended May 31, 2016. The following information, prepared as of July 28, 2016, should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements for three months ended May 31, 2016 and the related notes contained therein. The Company reports its financial position, results of operations and cash flows in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). In addition, the following should be read in conjunction with the Consolidated Financial Statements of the Company for the year ended February 29, 2016 and the related MD&A. All amounts are expressed in Canadian dollars unless otherwise indicated. The May 31, 2016 financial statements have not been reviewed by the Company's auditors.

Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

Forward Looking Information

This Interim MD&A may contain "forward-looking statements" that reflect the Company's current expectations and projections about its future results. When used in this Interim MD&A, words such as "will", "may", "should", "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance.

Forward-looking statements are statements that are not historical facts, and include but are not limited to:

a) Estimates and their underlying assumptions;
b) Statements regarding plans, objectives and expectations with respect to the effectiveness of the Company's business model, future operations, the impact of regulatory initiatives on the Company's operations, and market opportunities;
c) General industry and macroeconomic growth rates;
d) Expectations related to possible joint or strategic ventures; and
e) Statements regarding future performance.

Forward-looking statements used in this Interim MD&A are subject to various risks, uncertainties and other factors, most of which are difficult to predict and generally beyond the control of the Company. These risks, uncertainties and other factors may include, but are not limited to unavailability of financing, failure to identify commercially viable mineral reserves, fluctuations in the market valuation for commodities, difficulties in obtaining required approvals for the development of a mineral project, and other factors.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Interim MD&A or as of the date otherwise specifically indicated herein. Due to risks, uncertainties and other factors, including the risks, uncertainties and other factors identified above and elsewhere in this Interim MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as required by securities law.

Business of the Company

The Company is a Vancouver-based resource company focusing on precious metals properties in the western United States. The Company's shares trade on the TSX Venture Exchange (the "TSXV") under the symbol "WRP".

In addition to maintaining its currently held properties, management is pursuing options for the Company including asset acquisitions and sales as well as strategic alliance opportunities.

Property Review

Sale of the Mineral Gulch Property

The Mineral Gulch Property is located in southeastern Cassia County in southern Idaho. The project encompasses the historic Black Pine Mining District where open pit mining and heap leaching of gold ore were carried out and surrounding exploration ground.

The deposit was mined by Pegasus Gold from 1992 to 1998 as an open pit heap leach operation.

In 2011 and early 2012, the Company conducted a drill program at Mineral Gulch consisting of 38 reverse circulation drill holes over a large area of the property and strategically located to test mineralized structures, near-surface oxide as defined by historic soil values, and newly received pit wall sample assays. Additionally, the drilling explored for the largely untested carbonaceous material which has, to date, returned the highest gold values in historically mined pit wall sampling.

The Company also completed in early 2012 an airborne magnetic survey which was the first of its kind, in scope and magnitude, to be performed in the Mineral Gulch area. It substantiates and justifies the additional geochemical and structural data generated by the Company. The pits and leach pad show rock with strong magnetic "depletion" interpreted to be related to emplacement of the gold systems. Of significant note is how large these areas are within the land package and how far out they extend from past mining activity.

The magnetic survey extends these "depletion signatures" approximately 2,500 meters south of the E Pit, 2,500 meters SW of the C/D Pit and 1,000 meters northeast of the A Pit, clearly highlighting the important northeast and northwest-striking faults.

On June 14, 2016, pursuant to an asset purchase agreement between the Company and Pilot Gold Inc. ("Pilot"), the Company sold 100% of its interest in the Mineral Gulch Property to Pilot Gold Inc. ("Pilot") in exchange for the following consideration:

i) US$800,000 in cash;

ii) 300,000 common shares of Pilot;

iii) The issuance to the Company of a 0.5% net smelter returns royalty on all future minerals produced from the Mineral Gulch claims acquired; and

iv) Reimbursement to the Company for transaction costs in connection with the sale, to a maximum of US$10,000.

Newmont Mining Corporation, which held a first right of offer in the event the Company proposed to joint venture or otherwise sell the Mineral Gulch Property, elected not to exercise that right.

Debt Settlement Agreement

Pursuant to an asset purchase agreement dated February 24, 2013, the Company purchased from Deer Trail Mining Company (DTMC) certain assets, property, tenures, licenses, permits and other rights relating to the Deer Trail Mine Property ("DTM Property") in Piute County, Utah. The Company was indebted to DTMC for an amount up to $4,925,000. As of May 31, 2016, these debts included a payment of $1,750,000 that was past due, a payment of $1,675,000 that was due by August 31, 2016 and a potential obligation for a make-whole payment of up to $1,500,000 regarding the transfer of the formerly held Bombardier Property to DTMC. On July 25, 2016, the

Company and DTMC entered into an agreement to settle all debt and to terminate all obligations relating to the DTM Property and Bombardier Property agreements.

In consideration of the debt settlement, the Company agrees to issue and pay as full and final satisfaction of all debts and obligations the following:

i) a cash payment of US$200,000;

ii) 10,062,546 common shares of the Company; and

iii) assign a 50% interest in the net smelter returns royalty on the Mineral Gulch Property up to a maximum of US$2,300,000.

The debt settlement agreement is subject to approval by the TSXV.

Foreclosure of DTM Property

On October 5, 2015, Quintana WRP Holding Company LLC ("Quintana WRP") notified the Company of its failure to meet and maintain certain financial obligations relating to the DTM Property in Utah and Quintana WRP considered this a material adverse effect in relation to the investment agreement it has with the Company and related secured and unsecured convertible notes and therefore issued the Company a demand for payment and notice of default letter.

On January 28, 2016, the Company and Quintana WRP entered into a Stipulation Agreement related to the DTM Property to be filed in the Sixth Judicial District Court in Piute County Utah. The Company attempted to raise capital and market its assets, however, was unsuccessful in finding alternative sources of funding to pay the expenses relating to the DTM Property and the demand for payment of Quintana WRP debt. In light of this, the Company's Board of Directors, in conjunction with its legal advisors, concluded that entering into the Stipulation Agreement was the only viable option available and was in the best interests of the Company.

Terms of the Stipulation Agreement

- The Company authorized Quintana WRP and Quintana WRP's agents to enter onto the DTM Property at any time of day or night for the purposes of inspecting, maintaining and protecting the DTM Property;
- The Company would not object to or disrupt the foreclosure of the DTM Property by Quintana WRP and would not cooperate with or support any third party seeking to object to or disrupt such foreclosure;
- The Company would not transfer or remove any of the personal DTM Property and would not cause damage to the DTM Property;
- The Company would continue to use its own resources to diligently market the real and personal DTM Property for sale in a timely and orderly manner;
- Quintana WRP would immediately begin noticing the foreclosure sale of the DTM Property;
- If there is a foreclosure sale of the DTM Property and (i) Quintana WRP is the successful bidder at the sale after bidding no more than the amounts owed on secured loans and (ii) Quintana WRP obtains the DTM Property free and clear of liens, then Quintana WRP would accept the DTM Property in full satisfaction of the amounts owed;
- If there is a foreclosure sale of the DTM Property and Quintana accepts an offer from a bidder at the sale and the bidder delivers payment of the accepted bid amount to Quintana, then Quintana will accept the sales proceeds from the sale in full satisfaction of the amounts owed.
- No later than ten business days after entry of an order approving this stipulation, the Company would provide Quintana WRP with access to all documents relating to the DTM Property;
- After a foreclosure sale, the Company will transfer and/or assign any permits or licenses to the purchaser of the DTM Property;
- Quintana WRP could incur expenses to preserve and protect the DTM Property; and
- Any and all expenses paid by Quintana WRP up to the foreclosure date shall be deemed additional advances to the Company.

On March 7, 2016, the foreclosure sale on the DTM Property was completed and Quintana WRP assumed control of the DTM Property. The Company is currently in the process of transferring title of all assets, permits, and licences to Quintana WRP. Upon the foreclosure, the Company also received a cash payment of $99,518 (US$75,000) from Quintana WRP for the Company's cooperation during the foreclosure process.

As a result of the foreclosure, the Company extinguished convertible note liabilities totaling $8,482,298 and wrote off the following assets associated with the DTM Property that were previously classified as "assets held for sale" in its February 29, 2016 consolidated statement of financial position:

Mine property and equipment	$	6,018,654
Vehicle		2,930
Reclamation deposits		351,667
	$	6,373,251

With the write-off of DTM Property assets, the extinguishment of convertible note debt, and the cash payment received, the Company recorded a net gain of $2,208,565 during the period ended May 31, 2016.

Rock Springs Property, Nevada

The Rock Springs Property consists of 120 claims located in Elko County, Nevada. The property lies 45 miles north of Newmont's Long Canyon property, along the northwest edge of the Bald Mountain/Pequop Trend which includes the Long Canyon project and the Company's Mineral Gulch property.

The property was extended 15,000 feet east of the Company's original 20-claim block to cover historic surface sampling completed by Gold Fields Mining Corporation ("GFMC") in 1987-1989. GFMC samples over the newly staked ground showed values including 1.64 ppm gold (0.048 opt), 11.85 ppm gold (0.346 opt) and 32.84 ppm gold (0.959 opt). Silver values up to 363 ppm (10.6 opt) were also taken from this area.

Sampling on the original 20 claims by the Company's personnel returned gold values up to 0.04 opt gold, 8.7 opt silver, 1.7 % lead and 2.0% zinc.

Readers are cautioned that information from previous work by Gold Fields Mining Company is of a historic nature only and is only used for historic information.

Lease and Option Agreement

In June 2014, the Company entered into an agreement with CR Rock Springs Inc. ("CR") whereby CR leased a 100% interest in the Rock Springs Property for an initial term of 20 years. In order to maintain the lease in good standing, CR must have completed exploration work on the property totalling US$75,000 over five years, and pay to the Company annual advance royalty payments totalling US$30,000 over the first two years (US$20,000 paid of which US$10,000 was paid during the year ended February 29, 2016), and then US$20,000 per year as long as the lease agreement remained in effect. If the Rock Springs Property was put into commercial production, the Company would have been entitled to a 1.5% net smelter return royalty. CR also had the right at any time during the term of the lease to purchase the property by paying US$500,000 to the Company, with the Company retaining its NSR royalty. On June 3, 2016, CR terminated the lease agreement before the next cash payment was due.

The Company is currently assessing its future plans for the Rock Springs Property.

Qualified Person:

Mr. Eric Saderholm, B.Sc., Registered Member of SME, is the Company's Qualified Person as defined by National Instrument 43-101, and is responsible for the accuracy of the scientific and technical information contained in this Interim MD&A.

Selected Quarterly Information

The following table provides information for the eight fiscal quarters ended May 31, 2016:

	May 31, 2016 ($)	Feb. 29, 2016 ($)	Nov 30, 2015 ($)	Aug 31, 2015 ($)	May 31, 2015 ($)	Feb. 28, 2015 ($)	Nov 30, 2014 ($)	Aug 31, 2014 ($)
Exploration expenditures	1,793	(22,092)	107,531	192,901	135,222	414,229	850,839	1,841,228
General and administrative expenses	362,058	351,374	2,183,371	746,067	727,083	709,803	665,871	697,004
Net income (loss)	1,969,896	(543,945)	(2,379,909)	(1,010,439)	435,782	(244,688)	(124,682)	(4,224,972)
Basic and diluted income (loss) per share	0.04	(0.01)	(0.05)	(0.02)	0.01	(0.01)	(0.00)	(0.10)
Total assets	361,662	6,671,222	6,683,571	6,722,502	7,242,715	7,491,642	7,277,524	7,486,585
Total liabilities	5,394,152	13,673,608	13,142,012	10,828,925	10,403,458	11,088,167	11,254,463	12,025,867
Shareholders' Deficiency	(5,032,490)	(7,002,386)	(6,458,441)	(4,106,423)	(3,160,743)	(3,596,525)	(3,976,939)	(4,539,282)

The level of exploration expenditures on the DTM Property were the highest during the period from the quarter ended August 31, 2014 to the quarter ended February 28, 2015 as the acquisition of the property was completed in February 2014 and the capital from the Quintana WPR financing carried the Company through this period. Exploration costs for the most recent five quarters were largely care and maintenance activities due to a lack of capital resources. General and administrative expenses for all eight quarters presented include interest accretion associated with the convertible notes issued and other long-term liabilities associated with the DTM Property acquisition. The interest accretion expense for the quarter ended November 30, 2015 was significantly higher than the other quarters due to the value of convertible note debt no longer being discounted as it became due and payable immediately during that quarter. Total assets and total liabilities both decreased significantly during the quarter ended May 31, 2016 due to the foreclosure of the DTM Property.

Results of Operations

Quarter Ended May 31, 2016

For the three months ended May 31, 2016, the Company recorded a net income of $1,969,896 compared to a net income $435,782 for the quarter ended May 31, 2015, a difference of $1,534,114. The current quarter recorded a net income instead of a net loss due to the gain of $2,208,565 upon the foreclosure of the DTM Property. The current quarter also recorded a foreign exchange gain of $169,216 due to the previous convertible note debt being denominated in US dollars and the strengthening of the Canadian dollar in relation to the US dollar during the current quarter. The comparative quarter recorded a net income instead of a net loss because of a fair value gain of $1,327,311 on the Company's derivative liability associated with convertible notes. When the Company held convertible note debt, the carrying value of the derivative liability was adjusted to its fair value at each reporting date using the Black-Scholes option pricing method. The derivative liability for each convertible note had already been reduced to nil prior to the start of the current quarter.

Exploration costs for the current quarter were minimal as they totaled $1,793 compared to $135,222 for the comparative quarter. The costs for both periods related to care and maintenance activities on the properties.

General and administrative expenses for the current quarter totalled $362,058 compared to $727,083 for the comparative quarter, a decrease of $365,025. The decrease is primarily due to the current quarter having recorded interest accretion on convertible notes of $178,177 and interest accretion on payables of $55,540 whereas $512,390 and $48,295 respectively, were recorded in the comparative quarter. Other notable cost reductions in the current quarter were decreases of $22,542 in office and administration, $11,601 in travel, and $4,033 in investor relations and shareholder information. These costs were less due to cost cutting measures. Management fees were $4,626 higher in the current quarter due to them being based in US dollars; otherwise the same amount was accrued in the current and comparative quarters.

Liquidity and Capital Resources

The Company is in the exploration stage and therefore has no cash flow from operations. The principal source of funds since incorporation has been from the sale of equity capital, and since early 2014, the issuance of convertible notes pursuant to a 2013 investment agreement with Quintana WRP. The foreclosure on the DTM Property that was completed on March 7, 2016 extinguished all convertible note debt relating to this investment agreement. The amounts extinguished were $7,215,793 (US$5,425,000) in principal and $1,266,505 (US$952,188) in accrued interest.

As at May 31, 2016, current assets were $233,899 of which $94,255 was cash and $131,512 the carrying amount of the Mineral Gulch Property that was reclassified as held for sale due to the subsequent sale of the property. Current liabilities totalled $4,111,751, resulting in a working capital deficiency of $3,877,852. Of the current liabilities, $1,750,000 was a payment relating to the DTM Property acquisition due by February 28, 2015 but still outstanding and $1,617,486 is a payment relating to the DTM Property acquisition due by August 31, 2016. Also included in current liabilities is a due to related party amount of $611,457 owing to directors and officers of the Company. During the year ended February 29, 2016 and continuing on for the current period, the Company's directors and officers agreed to defer payment on a portion of their fees for services and all directors' fees in response to the Company's liquidity position.

In June 2016, the Company received cash of US$800,000 and 300,000 common shares of Pilot relating to the sale of the Mineral Gulch Property. The shares in Pilot are publicly traded and have a current value of approximately $204,000. Funds from this sale is being used to settle a portion of existing liabilities, for ongoing working capital requirements, and to make the US$200,000 payment to the former DTM Property owners pursuant to the debt settlement agreement entered into on July 25, 2016. This debt settlement agreement is still subject to regulatory approval. If approved, it will settle current liabilities and a long-term liability which totaled $3,367,486 and $1,282,401, respectively, as of May 31, 2016.

If the debt settlement agreement with the former DTM Property owners is approved, the Company expects its current capital resources to be sufficient to cover its basic operating costs through the next twelve months. However, for any proposed property acquisitions or exploration programs, the Company will likely need to obtain additional capital resources. Actual funding requirements may vary from those previously planned due to a number of factors, including the progress of the Company's business activities and economic conditions. The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary capital to meet its obligations and repay its liabilities arising from normal business operations when they come due. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future nor that discussions with its lenders would result in materially improved terms on its liabilities.

Related Party Transactions

During the period ended May 31, 2016, a total of $8,482,298 in convertible note debt owing to Quintana WRP was extinguished and title to assets with a total carrying value of $6,373,251 were transferred to Quintana WRP upon the foreclosure of the DTM Property. Quintana WRP had two common directors up to September 16, 2015.

See Note 13 of the condensed consolidated interim financial statements for the three months ended May 31, 2016 for details of related party transactions which occurred in the normal course of business.

Other Data

Additional information related to the Company is available for viewing at www.sedar.com and on the Company's website at www.westernpacificresources.com

Share Position and Outstanding Warrants and Options

The Company's outstanding share position as at July 28, 2016 is 52,960,769 common shares and the following incentive stock options are currently outstanding:

STOCK OPTIONS

No. of options	Exercise price	Expiry date
250,000	$0.13	May 22, 2019
1,030,000	$0.135	June 16, 2019
335,000	$0.35	January 27, 2020
200,000	$0.38	July 25, 2020
300,000	$0.57	July 12, 2021
2,115,000		

There were no share purchase warrants outstanding as of May 31, 2016.

Risks and Uncertainties

Mineral Property Exploration and Mining Risks

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, the Company's properties do not have a known commercial ore deposit. The main operating risks include: securing adequate funding to maintain and advance exploration properties; ensuring ownership of and access to mineral properties by confirmation that option agreements, claims and leases are in good standing; and obtaining permits for drilling and other exploration activities.

Title to Mineral Property Risks

The Company does not maintain insurance against title. Title on mineral properties and mining rights involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history of many mining properties. The Company has diligently investigated and continues to diligently investigate and validate title to its mineral claims; however, this should not be construed as a guarantee of title. The Company cannot give any assurance that title to properties it acquired will not be challenged or impugned and cannot guarantee that the Company will have or acquire valid title to these mineral properties.

Commodity Price Risk

The Company is exposed to commodity price risk. Declines in the market price of gold, base metals and other minerals may adversely affect the Company's ability to raise capital in order to fund its ongoing operations or value it may obtain on disposition of an asset. Commodity price declines could also reduce the amount the Company would receive on the disposition of its mineral property to a third party.

Financing and Share Price Fluctuation Risks

The Company has limited financial resources, has no source of operating cash flow and has no assurance that additional funding will be available to it for further exploration and development of its projects. Further exploration and development of the Company's project may be dependent upon the Company's ability to obtain financing through equity or debt financing or other means. Failure to obtain this financing could result in delay or indefinite postponement of further exploration and development of its project which could result in the loss of its property.

Securities markets have at times in the past experienced a high degree of price and volume volatility, and the market price of securities of many companies, particularly those considered to be exploration stage companies such as the Company, have experienced wide fluctuations in share prices which have not necessarily been related to their operating performance, underlying asset values or prospects. There can be no assurance that these kinds of share price fluctuations will not occur in the future, and if they do occur, how severe the impact may be on the Company's ability to raise additional funds through equity issues.

Political, Regulatory and Currency Risks

The Company is currently operating in a country that has a stable political and regulatory environment. However, changing political aspects may affect the regulatory environment in which the Company operates. While the Company's convertible debt financings were sourced in US dollars, past equity financings have been sourced in Canadian dollars. A significant portion of the Company's expenditures are incurred in US dollars. At this time there are no currency hedges in place. Therefore a weakening of the Canadian dollar against the US dollar could have an adverse impact on the amount of exploration conducted.

Insured and Uninsured Risks

In the course of exploration, development and production of mineral properties, the Company is subject to a number of hazards and risks in general, including adverse environmental conditions, operational accidents, labor disputes, unusual or unexpected geological conditions, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods, and earthquakes. Such occurrences could result in damage to the Company's properties or facilities and equipment, personal injury or death, environmental damage to properties of the Company or others, delays, monetary losses and possible legal liability.

Although the Company may maintain insurance to protect against certain risks in such amounts as it considers reasonable, its insurance may not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums or for other reasons. Should such liabilities arise, they could reduce or eliminate future profitability and result in increased costs, have a material adverse effect on the Company's results and a decline in the value of the securities of the Company.

Environmental and Social Risks

The activities of the Company are subject to environmental regulations issued and enforced by government agencies. Environmental legislation is evolving in a manner that will require stricter standards and enforcement and involve increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. There can be no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on properties in which the Company holds interests which are unknown to the Company at present. Social risks are generally low in the principal country of operation of the Company, but changing social expectations could add new layers of risk to the viability of exploration and development properties.

Competition

The Company competes with many companies and individuals that have substantially greater financial and technical resources than the Company for the acquisition and development of its projects as well as for the recruitment and retention of qualified employees.