MANAGEMENT DISCUSSION & ANALYSIS
For the Year Ended October 31, 2017

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OVERVIEW

The purpose of this Management Discussion and Analysis ("MD&A") is to explain management's point of view of Blue River Resources Ltd.'s (the "Company") past performance and future outlook. This report also provides information to improve the reader's understanding of the Company's financial performance, trends and risks and should therefore be read in conjunction with the Company's audited consolidated financial statements for the year ended October 31, 2017 (the "Annual Financial Statements"). Additional information on the Company is available on SEDAR and at the Company's website, www.blueriv.com. All information contained in this MD&A is current as of February 28, 2018 unless otherwise stated.

All financial information in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS") and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

FORWARD LOOKING STATEMENTS

Certain sections of this MD&A may contain forward-looking statements.

All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words. Forward-looking statements may relate to the Company's future financial conditions, results of operations, plans, objectives, performance or business developments including, among other things, exploration and work programs, drilling plans and timing of drilling, plans for development and facilities construction and timing, method of funding and completion thereof, the performance characteristics of the Company's mineral properties, drilling results of various projects of the Company, the existence of mineral resources or reserves and the timing of development thereof, projections of market prices and costs, supply and demand for copper and other precious metals, expectations regarding the ability to raise capital and to acquire reserves through acquisitions and/or development, treatment under governmental regulatory regimes and tax laws, and capital expenditure programs and the timing and method of financing thereof. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates and assumptions of the Company contained in this MD&A, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth herein and in the MD&A, or as otherwise expressly incorporated herein by reference as well as: (1) there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, power disruptions, damage to equipment, adverse weather conditions or otherwise; (2) permitting, access, exploration, expansion and acquisitions at our projects (including, without limitation, land acquisitions for and permitting of exploration plans) being consistent with our current expectations; (3) prices for and availability of equipment, labor, natural gas, fuel oil, electricity, water and other key supplies remaining consistent with current levels; (4) labour and materials costs increasing on a basis consistent with the Company's current expectations; (5) the availability and timing of additional financing being consistent with the Company's current expectations; and (6) the exchange rate between the Canadian dollar and the U.S. dollar being approximately consistent with current levels. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to: fluctuations in the currency markets; fluctuations in the spot and forward price of copper or certain other commodities (such as diesel fuel and electricity); changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada; business opportunities that may be presented to, or pursued by, us; our ability to successfully integrate acquisitions; operating or technical difficulties in connection with exploration or development activities; employee relations; the speculative nature of copper exploration and development, including the risks of obtaining necessary licenses and permits; competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, geological, technical, drilling and processing problems, fluctuations in foreign exchange or interest rates and stock market volatility, changes in income tax laws or changes in tax laws and incentive programs relating to the mineral resource industry; and contests over title to properties, particularly title to undeveloped properties. In addition, there are risks and hazards associated with the business of copper exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and copper bullion losses (and the risk of inadequate insurance, or the inability to obtain insurance, to cover these risks). Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management's expectations and plans relating to the future. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements and those made in our other filings with applicable securities regulators in Canada. These factors are not intended to represent a complete list of the factors that could affect the Company and readers should not place undue reliance on forward-looking statements in this MD&A. 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, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.

The forward looking statements contained herein are based on information available as of February 28, 2018.

OVERALL PERFORMANCE

Blue River Resources Ltd. (the "Company") was incorporated on September 26, 2008 under the Business Corporations Act (British Columbia). The Company and its 100% owned subsidiary, Blue River Resources Inc. ("BRR Inc."), incorporated under the laws of the State of Wyoming, is in the business of acquisition, exploration and development of mineral properties.

Exploration Projects

- In May 2016, the Company entered into a property option agreement with Angkor Gold Corp. ("Angkor") to explore Angkor's 100% owned Banlung Tenement located in Cambodia. Subsequent to October 31, 2017 the Company announced it would not proceed with the option agreement.

- In June 2016 and February 2017, the Company amended the terms of the Mazama Copper Project option agreement whereby various cash deadlines were extended.

- As at April 30, 2017, management maintained a valuation of $1 relating to the Mazama Copper Project; as such, the Company recorded an impairment of $52,247 in connection with the expenditures incurred on the project during the nine months ended July 31, 2017.

- In February 2018, the Company announced plans to continue exploration work on the Castel Copper Project located near Princeton B.C.

For a more detailed description of the Company's interest in its exploration and evaluation assets and the terms and conditions of the underlying agreements, please refer to the section "Summary of Exploration Activities".

Financings

In November 2016, the Company closed the third tranche of a private placement by issuing 16,250,000 units at $0.05 per unit for total gross proceeds of $812,500. Each unit consists of one common share and one-half share purchase warrant with each whole warrants exercisable for $0.09 per share for a period of two years. In connection with the close of this private placement, the Company incurred costs of $8,822.

In June 2017, the Company closed a private placement by issuing 14,285,714 units at $0.035 per unit for total gross proceeds of $500,000. Each unit consists of one common share and one share purchase warrant with each warrant exercisable for $0.06 per share for a period of two years. In connection with the close of this tranche, the Company paid finders' fees and costs of $13,415 and issued 337,600 warrants with an exercise price of $0.06 per warrant and an expiry date of two years from the date of issue. The finders warrants have a value of $9,539.

In June 2017, the Company issued 500,000 common shares valued at $22,500 in connection with the Mazama Copper Project option agreement.

In June 2017, the Company issued 2,000,000 common shares valued at $90,000, in connection with a debt settlement agreement dated February 16, 2017, to settle $100,000 of the past due cash owed on the Mazama Copper Project option agreement. The transaction resulted in a gain on debt settlement of $10,000.

During the nine months ended July 31, 2017, a total of 2,350,000 stock options were exercised for proceeds of $117,500.

On February 16, 2017, the Company entered into a Debt Settlement Agreement to settle $100,000 of the cash owed per the Mazama Copper Project option agreement for 2,000,000 shares.

Subsequent event

The Company closed a private placement by issuing 50,000,000 units at $0.01 per unit for total gross proceeds of $500,000. Each unit consists of one common share and one share purchase warrant with each warrant exercisable for $0.05 per share for a period of two years.

SELECTED ANNAUL FINANCIAL DATA

The Company is a mineral exploration and development company, and currently has no producing properties or operating income. Accordingly, the Company has not recorded any revenues, and depends upon share issuances (through private placements and the exercise of stock options or warrants) to fund its exploration activities and administrative expenses. The following financial data is derived from the Company's audited consolidated financial statements for the years ended October 31, 2017, 2016, and 2015:

	Year ended October 31,		
	2017	**2016**	**2015**
	$	$	$
Revenues	-	-	-
Operating expenses	(929,360)	(1,721,559)	(446,363)
Other items	(970,442)	(56,871)	(1,475,455)
Net loss	(1,899,802)	(1,778,430)	(1,921,818)
Comprehensive loss	(1,883,977)	(1,753,267)	(1,465,108)
Basic and diluted net loss per common share	(0.01)	(0.02)	(0.03)
Basic and diluted comprehensive loss per common share	(0.01)	(0.02)	(0.02)
Working capital deficiency	(579,508)	(487,330)	(992,961)
Total assets	96,324	732,162	56,635
Total long-term liabilities	-	-	-
Dividends per share	-	-	-

At October 31, 2017, the Company had not yet achieved profitable operation and has an accumulated deficit of $10,504,857 (2016 - $8,618,032). The net losses for the years ended October 31, 2017 and October 31, 2016 resulted in a net loss per share of $0.01 and $0.02, respectively.

At October 31, 2017 the Company has no continuing source of operating revenues to fund current expenditures. The Company has not paid any dividends on its common shares nor does it have any intention of paying dividends on its common shares, as it anticipates that all available funds for the foreseeable planning horizon will be invested to finance its business activities.

RESULTS OF OPERATIONS

As an exploration company, the Company has yet to generate any revenue since its inception from its planned operations and has, to date, incurred annual net losses from operating and other expenses.

The operating expenses for the year ended October 31, 2017 totaled $929,360 versus $1,721,559 for the year ended October 31, 2016. The table below details the major changes in operating expenditures for the year ended October 31, 2017 as compared to the corresponding year ended October 31, 2016.

Operating Expense	Increase / Decrease in Expenses	Explanation for Change
Consulting fees	Decrease of $252,777	Decreased due to fewer consultants being used as management took on an increased role in the operations. Additionally, the comparative period incurred higher than normal consulting fees because of the acquisition of the Banlung property option agreement.
Financing fees	Increase of $9,469	Increased due to interest being incurred and paid on past due audit fees.
Management fees	Increase of $92,250	Increased due to more corporate activity which includes the closing of recent private placements.
Office expense	Increase of $23,745	Increased as there was a recovery of expenses booked in the prior year, current year saw normalization of expenses
Regulatory and shareholder services	Increase of $4,533	Increased due to the Company becoming listed on the Frankfurt Stock Exchange in Germany.
Rent	Increase of $29,717	Increased as the Company ceased charging rent to a related party.
Share-based compensation	Decrease of $708,558	Decreased as no share options were issued in the current quarter.
Travel and related	Increase of $23,690	Increased as additional travel was required for the Banlung Project.

In addition to the above, the Company reported an increase of $24,352 in the impairment of exploration and evaluation assets in connection with the Mazama copper project and a write off of $923,743 in relation to the Banlung gold project for the year ended October 31, 2017 as compared to the quarter ended October 31, 2016:

SUMMARY OF QUARTERLY RESULTS FOR THE LAST CONSECUTIVE EIGHT QUARTERS

Historical quarterly financial information derived from the Company's eight most recently completed quarters is as follows:

	Quarters Ended			
	October 31, 2017	**July 31, 2017**	**April 30, 2017**	**January 31, 2017**
	$	$	$	$
Net loss	(1,109,080)	(263,943)	(209,568)	(317,211)
Comprehensive loss	(1,115,338)	(262,849)	(204,131)	(301,659)
Comprehensive Loss Per Share	(0.00)	(0.00)	(0.00)	(0.00)
Weighted Average Shares	129,418,202	132,850,073	124,965,756	117,960,321
	October 31, 2016	**July 31, 2016**	**April 30, 2016**	**January 31, 2016**
	$	$	$	$
Net loss	(677,791)	(908,799)	(142,753)	(49,086)
Comprehensive loss	(663,491)	(911,678)	(129,011)	(49,086)
Comprehensive Loss Per Share	(0.01)	(0.01)	(0.00)	(0.00)
Weighted Average Shares	98,312,495	84,989,437	67,326,718	65,416,464

The variations in net loss from quarter to quarter are a result of the extent of the amount of administrative expenses needed, the amount of activity the Company is incurring on its exploration and evaluation assets, and the amount of write-downs and impairments recorded. The difference between the net loss and comprehensive loss is due to the change in the fair market value of the Company's available-for-sale financial asset.

There was no material variations during the quarters presented except for:

- the quarter ended October 31, 2017 included the write off of the Banlung gold project of $923,744
- the quarters ended October 31, 2016 and July 31, 2016 which had significant share-based compensation due to the grant of stock options and higher consulting fees due to increased corporate activity;
- the quarter ended January 31, 2016 which had a significantly lower net loss in connection with the Company's plans to reduce overall operating costs; and
- the quarter ended October 31, 2015 where the Company recorded an impairment on its available for sale financial asset of $579,431 and an impairment on its exploration and evaluation assets of $866,526.

FOURTH QUARTER

The operating expenses for the quarter ended October 31, 2017 totaled $180,996 which consisted mainly of the following: consulting fees of $88,984, management fees of $45,000, professional fees of $26,481, regulatory and shareholder services of $14,629, and rent of $11,802.

In addition to the above, the Company reported the following variations for the quarter ended October 31, 2017 as compared to the quarter ended October 31, 2016:

- A write off of $59,348 to exploration and evaluation assets in connection with the Mazama project as management determined that this asset should continue to be impaired at year end compared to an impairment of $34,996 recorded in the fourth quarter of fiscal 2016 for the Castle and Mazama projects;
- A write off of $923,744 related to the Banlung project a management determined that it would not pursue the option agreement with Angkor Gold Corp.

During the quarter ended October 31, 2017, bank indebtedness decreased by $6,155

SUMMARY OF EXPLORATION ACTIVITIES

For the year ended October 31, 2017, the Company incurred $526,228 in deferred exploration and development costs compared to $491,859 in deferred exploration costs for the corresponding year ended October 31, 2016.

The following is a breakdown of the changes in the material components of the Company's deferred exploration and development costs, on a property by property basis, for the year ended October 31, 2017:

	Mazama Copper Project (USA)	Banlung Gold Project (Cambodia)	Total
	$	**$**	**$**
Acquisition costs	42,500	-	42,500
Deferred costs			
Consulting – geological	16,848	-	16,848
General exploration expenditures	-	466,880	466,880
Total costs incurred during the period	59,348	466,880	526,228
Write down	(59,348)	(923,743)	(983,091)
Change during the year ended October 31, 2017	**-**	**(456,863)**	**(456,863)**

The following is a breakdown of the changes in the material components of the Company's deferred exploration and development costs, on a property by property basis, for the year ended October 31, 2016:

	Mazama Copper Project (USA)	Banlung Gold Project (Cambodia)	Total
	$	**$**	**$**
Acquisition costs	-	129,475	129,475
Deferred costs			
Annual maintenance fees	10,474	-	10,474
Consulting – geological	24,522	-	24,522
General exploration expenditures	-	327,388	327,388
Total costs incurred during the period	34,996	456,863	491,859
Impairment	(34,996)	-	(34,996)
Change during the year ended October 31, 2016	**-**	**456,863**	**456,863**

The total cumulative acquisition and deferred exploration costs to October 31, 2017 are summarized as follows:

	Castle Project (Canada)	Mazama Copper Project (USA)	Banlung Tenement Project (Cambodia)	Total
	$	**$**	**$**	**$**
Acquisition costs	185,800	550,111	129,475	865,386
Deferred costs				
Annual maintenance fees	-	21,262	-	21,262
Assays	39,238	-	-	39,238
Consulting – geological	207,459	171,260	-	378,719
Drilling	22,270	-	-	22,270
Exploration advances	-	125,000	-	125,000
General exploration expenditures	240,948	93,238	794,268	1,128,454
Travel and accommodation	18,339	-	-	18,339
Subtotal	**714,054**	**953,770**	**923,743**	**2,598,668**
Mining tax credits	(110,088)	-	-	(110,088)
Impairment	(603,965)	(953,770)	-	(1,564,836)
Write down	-	-	(923,743)	(923,473)
Cumulative acquisition and deferred exploration costs at October 31, 2017	**1**	**-**	**-**	**1**

Discussion on Current Projects

BANLUNG GOLD PROJECT – Cambodia

In May 2016, the Company entered into a property option agreement with Angkor Gold Corp. ("Angkor") to explore Angkor's 100% owned Banlung Tenement located in northeast Cambodia. The Banlung property is 150 km^2 in size.

The agreement gives the Company the option to acquire up to a 70% participating interest through the exercising of four options as follows:

- Option 1 to acquire a 10% participating interest – the Company must make the following payments to Angkor:

Due Date	Cash Payments		Minimum Exploration Expenditures	
		US$		**US$**
Option 1				
May 3, 2016	Paid	50,000		
June 3, 2016	Paid	50,000		
July 30, 2016			Paid	200,000
December 31, 2016			Paid	200,000
June 30, 2017			Paid	200,000
December 31, 2017				200,000
March 30, 2018				100,000
TOTAL		**100,000**		**900,000**

- Option 2 to acquire a further 30% participating interest – the Company must incur US$1,500,000 in exploration and development expenditures within two years from the date the first option is exercised;
- Option 3 to acquire a further 10% participating interest – the Company must pay US$1,000,000 in cash to Angkor within one year from the date the second option is exercised; and
- Option 4 to acquire a further 20% participating interest – the Company must complete a Bankable Feasibility Study on the property.

Upon completion of Option #4, Angkor will maintain a 30% free-carry on the Banlung Tenement or can covert at its discretion, to a 5% net-smelter return.

The exploration target on the Banlung Project is a surface gold anomaly measuring approximately 4 square kilometers, called the Okalla West gold anomaly.

1500 meters of trenching over a perceived fault system identified by a VLF-EM survey has recently been completed. Please refer to the news release dated May 8, 2017 for results.

An additional VLF-EM survey is being conducted with the purpose of enlarging the fault zone from its current length of 1.2 km.

A 500 meter diamond drill program was conducted over August 2017, to test gold-bearing quartz vein structures found in the trenches from the previous Okalla West exploration program and a copper / gold target located on the Okalla East exploration zone. Please refer to the news release dated August 24, 2017 for further information. A phase 2 drill program will follow the initial drill program after analysis of phase 1 results.

As at the date of this report, the Company had decided not to proceed with the required option payments and as at October 31, 2017 wrote off the costs on the property of $923,743.

MAZAMA COPPER PROJECT – Washington, USA

On February 25, 2013, the Company signed an option agreement to acquire a 100% beneficial right, title, and interest in and to a property located in Okanogan County, Washington State, USA. Certain terms of the agreement were later amended in February 2015 and February 2017 which resulted in the increase to the (1) total cash payments and (2) total share issuances. Furthermore, the minimum exploration expenditures deadlines were also extended due to the amendment

The Mazama Copper Project is located approximately 25 kilometers south of the Canadian/United Sates border in north-central Washington, 143 kilometres northeast of Seattle and 17 kilometers northeast of the town of Winthrop.

In order to exercise the outstanding option and earn the 100% interest in the property, the Company has agreed to make the following cash payments, share issuances and minimum exploration expenditures on or before the dates set forth in the table below:

Due Date	Cash Payments	Shares to be Issued	Minimum Exploration Expenditures
	$		$
May 25, 2013		Issued 500,000	-
June 20, 2013	Paid 5,000	-	-
July 20, 2013	Paid 10,000	Issued 500,000	-
August 19, 2013	Paid 20,000	-	-
August 25, 2013	-	Issued 500,000	-
November 25, 2013	-	Issued 500,000	-
February 25, 2014	-	Issued 500,000	-
May 25, 2014	-	Issued 500,000	-
June 20, 2014	Paid 50,000	-	Incurred 125,000
August 25, 2014	-	Issued 500,000	-
November 25, 2014	-	Issued 500,000	-
February 25, 2015	-	Issued 500,000	-
May 25, 2015	-	Issued 500,000	-
September 30, 2015	Paid 70,000		
July 30, 2016	-	Issued 500,000	-
March 7, 2017	-	Issued 500,000	-
May 28, 2017	105,000	-	-
December 27, 2017	-	-	Incurred 150,000
December 27, 2018	-	-	175,000
TOTAL	**260,000**	**6,000,000**	**450,000**

The vendor retained a 3.0% net smelter return royalty ("NSR") on any ore production from the property. The Company is eligible to purchase a 1% NSR at anytime by making a cash payment of $1,000,000 and an additional 1% for $2,000,000.

During the 2013 field season on the Mazama Copper Project, the Company conducted an orientation program, delineating existing road access, locating historic drill sites and exploration trenches, and confirming through mineralization and alteration a porphyry copper geological setting.

The Company also conducted geological mapping and sampling, with emphasis on porphyry mineralization/alteration and intrusive breccias, a LIDAR survey, topographic mapping and orthophotography. The Company also staked approximately 50% more claims than originally optioned from Mazama Minerals. These additional claims now encompass all the potential copper mineralized zones.

As at October 31, 2015, the Company impaired the Mazama Copper Project to a nominal value of $1. All costs incurred on this property subsequent to October 31, 2015 have been impaired as management continues to believe the project to be impaired. This impairment is a result of delays in obtaining a drilling permit. The Company believes that the permit will be granted, but cannot estimate the time required for the permit review process to be completed.

As at the date of this report, one of the required option payments was delinquent, however, the optioner has confirmed that the option remains in good standing.

CASTLE PROJECT – British Columbia

The Castle Project is located in the Similkameen area of British Columbia: consisting of claim cell 530877 of 335.3 hectares in size. These claims are 100% owned by Blue River Resources Ltd.

The Castle Property is situated 12 kilometers north of the town of Princeton in South Western British Columbia within the Thompson Plateau and covers gently sloping hills reaching an elevation of 1,125 metres in the northeast and 1,075m in the southeast. Much of the Castle Property area is of grassy ranch land in the lower elevations to pine and aspen forests with scattered grassy patches in the higher elevations.

The Castle Property has been explored intermittently since the late 1950's. Mineralization is found on the property in a series of trenches excavated in the mid 1980's by Count Fleet Exploration and re-established by Blue River. The exposed mineralization consists primarily of malachite, chalcopyrite, pyrite and magnetite, with minor bornite and possibly chalcocite. The copper minerals are confined largely to a 150m wide zone trending west-northwest for 500m. Since acquiring the property, the Company carried out a soil geochemical survey, ground magnetometer and electromagnetic survey and re-established the known trenches over the mineralized area.

During the year ended October 31, 2015, the Company impaired the Castle Project to a nominal value of $1 as a result of the Company suspending all further exploration plans for this property. There has been no change in value on this property since October 31, 2015.

Quality Assurance/Quality Control

Paul D. Gray, P. Geo. who is the Company's Qualified Person as defined under NI 43-101 and director of the Company, has reviewed and approved the contents of the Discussion on Properties section.

LIQUIDITY AND CAPITAL RESOURCES

The Company has financed its operations to date through the issuance of common shares and the exercise of stock options and warrants. The Company continues to seek capital through various means including the issuance of equity and/or debt.

The Company's liquidity and capital resources are as follows:

	October 31, 2017	October 31, 2016
		$
Cash	-	196,186
Receivable	2,231	12,642
Prepaid expenses	17,383	7,929
Available-for-sale financial asset	65,428	46,987
Total current assets	**85,042**	**263,744**
Bank indebtedness	5,279	-
Demand loan payable	12,936	9,500
Accounts payables and accrued liabilities	447,386	552,779
Due to related parties	161,601	154,447
Promissory note	37,348	34,348
Total current liabilities	**664,550**	**751,074**
Working capital deficiency	**(579,508)**	**(487,330)**

The Company's operations consist of acquisition, maintenance, and exploration of mineral properties, including actively seeking joint venture partners to assist with exploration funding. The Company's financial success will be dependent on the extent to which it can discover new mineral deposits.

As at October 31, 2017, the Company had bank indebtedness of $5,279 (2016 Cash of – $196,186) and a working capital deficiency of $579,508 (2016 –$487,330).

During the year ended October 31, 2017, cash decreased by $196,186 (2016 – increase of $196,027). The decrease in cash was primarily the result of funds used in general operations as well as exploration activities net of funds raised in private placements financings completed during the year and the exercising of various stock options.

Management believes the Company will need to raise additional funds to meet anticipated administrative expenses and required exploration and development expenditures on its properties over the next year. See "Overall Performance".

The Company's continuation as a going concern is dependent upon the successful results from its mineral property exploration activities and its ability to attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations. See "Risks and Uncertainties".

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off balance sheet arrangements.

COMMITMENTS

The Company has no commitments.

RELATED PARTY TRANSACTIONS

All transactions with related parties have occurred in the normal course of operations. The following lists all material transactions with related parties during the year ended October 31, 2017:

- Griffin Jones, CEO and director of the Company, provides management services to the Company. The Company incurred $180,000 in management fees (2016 - $90,000) to a Company wholly owned by Griffin Jones. As at October 31, 2017, $136,782 (2016 - $50,090) was included in due to related parties for advances made to the Company and reimbursement of expenses. Furthermore, there was $6,000 (October 31, 2016 - $84,000) also included in due to related parties owing to a private company owned by Mr. Jones for unpaid management fees.

- Nadwynn Sing, CFO and director of the Company, provides management services to the Company. The Company incurred $4,500 in management fees (2016 - $2,250). As at October 31, 2017, a receivable balance of $237 (2016 - $237) was included in due to related parties owing from Mr. Sing.

- Metrolink Solutions Inc., a private company of which Mr. Griffin Jones is a director, is owed $4,463 (2016 –$Nil) from the Company which is included in due to related parties. The Company recovered various expenses during the year ended October 31, 2017 from Metrolink which consisted of rent of $22,524, , and office overhead of $4,476.

- As at October 31, 2017, the Company owed Paul Gray, a director of the Company, $20,593 (2016 - $20,593) for previously incurred consulting fees which was included in due to related parties.

Summary of related party transactions:

	Year ended October 31, 2017	2016
	$	$
Management fees	184,500	92,250
Recovery of various office expenses	-	27,000
	184,500	**119,250**

RISKS AND UNCERTAINTIES

The business and operations of the Company are subject to numerous risks, many of which are beyond the Company's control. The Company considers the risks set out below to be some of the most significant to potential investors in the Company, but not all of the risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Company is currently unaware or which it considers to be material in relation to the Company's business actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment.

The Company is a natural resource company engaged in the acquisition, exploration and development of mineral properties. Given the nature of the mining business, the limited extent of the Company's assets and the present stage of exploration, the following risks factors, among others, should be considered:

Exploration, Development and Operating Risks

The Company is in the process of exploring its properties and has not yet determined whether its properties contain economically recoverable reserves and, therefore, does not generate any revenues from production. The recovery of expenditures on mineral properties and the related deferred exploration expenditures are dependent on the existence of economically recoverable mineralization, the ability of the Company to obtain financing necessary to complete the exploration and development of its properties, and upon future profitable production, or alternatively, on the sufficiency of proceeds from disposition. Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will be successful.

Substantial Capital Requirements and Liquidity

Substantial additional funds for the establishment of the Company's current and planned mining operations will be required. No assurances can be given that the Company will be able to raise the additional funding that may be required for such activities, should such funding not be fully generated from operations. Mineral prices, environmental rehabilitation or restitution, revenues, taxes, transportation costs, capital expenditures and operating expenses and geological results are all factors which will have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Company may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and pursue only those projects that can be funded through cash flows generated from its existing operations, if any.

Fluctuating Mineral Prices

The economics of mineral exploration are affected by many factors beyond the Company's control, including commodity prices, the cost of operations, variations in the grade of minerals explored and fluctuations in the market price of minerals. Depending on the price of minerals, the Company may determine that it is impractical to continue a mineral exploration operation. Mineral prices are prone to fluctuations and the marketability of minerals is affected by government regulation relating to price, royalties, allowable production and the importing and exporting of minerals, the effect of which cannot be accurately predicted. There is no assurance that a profitable market will exist for the sale of any minerals found on the Company's properties.

Regulatory, Permit and License Requirements

The current or future operations of the Company require permits from various governmental authorities, and such operations are and will be governed by laws and regulations concerning exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that all permits which the Company may require for facilities and the conduct of exploration and development operations on the Properties will be obtainable on reasonable terms, or that such laws and regulations will not have an adverse effect on any exploration or development project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of mineral companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or exploration and development costs, or require abandonment or delays in the development of new or existing properties.

Financing Risks and Dilution to Shareholders

The Company has limited financial resources, no operations and no revenues. If the Company's exploration program on its properties is successful, additional funds will be required for the purposes of further exploration and development. There can be no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be available on favorable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity which will result in dilution to the Company's shareholders.

Title to Properties

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. The Company cannot give an assurance that title to its properties will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that the Optionors or the Company, as the case may be, does not have title to its properties could cause the Company to lose any rights to explore, develop and mine any minerals on its properties without compensation for its prior expenditures relating to its properties.

Competition

The mineral exploration and development industry is highly competitive. The Company will have to compete with other mining companies, many of which have greater financial, technical and other resources than the Company, for, among other things, the acquisition of minerals claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. Failure to compete successfully against other mining companies could have a material adverse effect on the Company and its prospects.

Reliance on Management and Dependence on Key Personnel

The success of the Company will be largely dependent upon the performance of its directors and officers and the ability to attract and retain key personnel. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Environmental Risks

The Company's exploration and appraisal programs will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs.

Local Resident Concerns

Apart from ordinary environmental issues, the exploration, development and mining of the Company's properties could be subject to resistance from local residents that could either prevent or delay exploration and development of the properties.

Conflicts of Interest

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers may become subject to conflicts of interest. The BCBCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to an issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA.

Uninsurable Risks

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Company's results of operations and financial condition and could cause a decline in the value of the Company's shares.

Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

Investment Realizable Value

There is no certainty that the financial assets (which include the GRIT common shares) will be realized at the amounts recorded. These amounts should not be taken to reflect realizable value as at the date of this report.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the financial statements requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities, as well as the reported revenues and expenses during the reporting period. Based on historical experience and current conditions, management makes assumptions that are believed to be reasonable under the circumstances. These estimates and assumptions form the basis for judgments about the carrying value of assets and liabilities and reported amounts for revenues and expenses. Different assumptions would result in different estimates, and actual results may differ from results based on these estimates. These estimates and assumptions are also affected by management's application of accounting policies. Critical accounting estimates are those that affect the consolidated financial statements materially and involve a significant level of judgment by management.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates and assumptions as the basis for determining the stated amounts include the recoverability of mineral properties, determination of functional currency, valuation of share-based compensation and other equity based payments, the recognition and valuation of provisions for asset retirement obligations, and the recoverability and measurement of deferred tax assets and liabilities.

Economic recoverability and probability of future economic benefits of exploration and evaluation assets
Management has determined that exploration, evaluation, and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including, geologic and other technical information, a history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

Determination of functional currency
The Company determines the functional currency through an analysis of several indicators such as expenses and cash flow, financing activities, retention of operating cash flows, and frequency of transactions with the reporting entity.

Valuation of share-based compensation
The Company uses the Black-Scholes Option Pricing Model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

Income taxes
In assessing the probability of realizing income tax assets, management makes estimates related to expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

NEW AND FUTURE ACCOUNTING PRONOUNCEMENTS

The following pronouncements and amendments are effective for the Company's annual periods beginning on or after November 1, 2017 unless otherwise stated. Adopting these standards is expected to have minimal or no impact on the consolidated financial statements.

a) IFRS 2 – Share Based Payments: the amendments eliminate the diversity in practice in the classification and measurement of particular share-based payment transactions which are narrow in scope and address specific areas of classification and measurement. It is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted provided it is disclosed. Management does not anticipate this standard having a material effect on the Company's consolidated financial statements.

b) IFRS 9 – Financial Instruments: Classification and Measurement: applies to classification and measurement of financial assets and liabilities as defined in IAS 39. It is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted. Management does not anticipate this standard having a material effect on the Company's consolidated financial statements.

c) IFRS 15 – Revenue from Contracts with Customers: establishes principles that an entity shall report more useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. More specifically to production (and sales) based royalties, variable consideration is estimated and included in the transaction price to the extent it is highly probable that there will be no significant reversal in the amount of cumulative revenue recognized when the uncertainty is resolved. This new approach to variable revenue could accelerate the recognition of revenue which depends on future production (or sales) levels. The standard was issued in May 2014 and is effective for annual periods beginning on or after January 1, 2018. Management is currently evaluating the impact this standard will have on the Company's consolidated financial statements.

d) IFRS 16 – Leases: specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. The standard was issued in January 2016 and is effective for annual periods beginning on or after January 1, 2019. Management is currently evaluating the impact this standard will have on the Company's consolidated financial statements.

e) IAS 7 – Statement of Cash Flows (disclosure initiative): these amendments require that the following changes in liabilities arising from financing activities are disclosed (to the extent necessary): (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes. One way to fulfill the new disclosure requirement is to provide a reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities. Finally, the amendments state that changes in liabilities arising from financing activities must be disclosed separately from changes in other assets and liabilities. This amendment is effective for reporting periods beginning on or after January 1, 2017. Management does not anticipate this standard having a material effect on the Company's consolidated financial statements.

f) IAS 12 – Income Taxes: the amendments clarify the recognition of deferred tax assets for unrealized losses on debt instruments. It is effective for annual periods beginning on or after January 1, 2017, with early adoption permitted. Management does not anticipate this standard having a material effect on the Company's consolidated financial statements.

g) IFRIC 22 – Foreign Currency Transactions and Advance Consideration: addresses how to determine the 'date of the transaction' when applying IAS 21. It is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted. Management does not anticipate this standard having a material effect on the Company's consolidated financial statements.

h) IFRIC 23 – Uncertainty Over Income Tax Treatments: clarifies how to apply the recognition and measurement requirements in IAS 12 when there is uncertainty over income tax treatments. It is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted. Management does not anticipate this standard having a material effect on the Company's consolidated financial statements.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's receivable, trade payables, loans payable, and due to related parties approximates their carrying values. The Company's other financial instruments, being cash, reclamation bond, available-for-sale financial asset, and share subscriptions are measured at fair value using Level 1 inputs.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) Credit risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's primary exposure to credit risk is on its cash accounts. Cash accounts are held with a major credit union in Canada. The Company has deposited its cash with its credit union from which management believes the risk of loss is low.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when they become due. Liquidity risk is assessed as high as the Company does not have sufficient cash to settle its liabilities.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

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 deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

Commodity Price risk
The ability of the Company to explore and develop its exploration and evaluation assets and the future profitability of the Company are directly related to the price of copper and gold. The Company monitors copper and gold prices to determine the appropriate course of action to be taken.

Foreign currency risk
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's functional currency is the Canadian dollar and has three properties: the Castle Project, located in Canada; the Mazama Copper Project, located in the United States; and the Banlung Gold project, located in Cambodia. The Company incurs the expenditures related to the Mazama Copper Project in Canadian dollars so there is minimal foreign currency risk related to the Mazama property. The Company incurs expenditures related to the Banlung Gold project in US dollars; therefore, there is foreign currency risk related to the Banlung Gold project.

The Company's available-for-sale financial asset is trading on the London Stock Exchange in British pounds (£). Each 1% change in the Canadian dollar versus the British pound will result in a gain/loss of approximately $650. Additionally, for every £0.01 change in the price of GRIT shares, the Company will realize a £3,300 net change in fair value, before taxes, on its investment.

(d) Capital management

The Company considers its cash and share capital as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash. There was no change in the Company's approach to capital management during the year ended October 31, 2017.

DISCLOSURE DATA FOR OUTSTANDING COMMON SHARES, OPTIONS, AND WARRANTS

Common Shares
The Company has one class of common shares and is authorized to issue an unlimited number of commons shares without par value. Below is a summary of the common shares issued, stock options, and share purchase warrants as at October 31, 2017 and the date of this report.

	As at October 31, 2017	As at Date of this Report
Common shares	141,751,470	191,751,470
Stock options	4,850,000	4,850,000
Share purchase warrants	41,196,060	41,124,060

Stock Options
The Company has issued incentive options to certain directors, officers, and consultants of the Company. As of the date of this report, the following options are outstanding.

Exercise price	Number outstanding	Expiry date
$		
0.05	2,150,000	May 9, 2021
0.05	200,000	June 16, 2021
0.05	800,000	July 18, 2021
0.05	1,700,000	August 17, 2021
	4,850,000	

Warrants
A summary of the share purchase warrants outstanding as at the date of this report is as follows:

Exercise price	Number outstanding	Expiry date
$		
0.07	7,142,852	May 9, 2018
0.15	3,286,250	July 15, 2018
0.10	10,000	July 15, 2018
0.09	2,850,000	October 3, 2018
0.09	2,400,000	October 25. 2018
0.15	1,931,937	October 28, 2018
0.09	8,125,000	November 30, 2018
0.15	754,707	October 15, 2019
0.09	14,623,314	June 30, 2019
	41,124,060	

MANAGEMENTS RESPONSIBILITY FOR FINANCIAL INFORMATION

The Company's consolidated financial statements and the other financial information included in this management report are the responsibility of the Company's management and have been examined and approved by the Board of Directors.

The Company maintains internal control systems designed to ensure that financial information is relevant and reliable and that assets are safeguarded.

Management recognizes its responsibility for conducting the Company’s affairs in a manner to comply with the requirements of applicable laws and established financial standards and principles, and for maintaining proper standards of conduct in its activities.

The Board of Directors supervises the consolidated financial statements and other financial information.

EVALUATION OF DISCLOSURE CONTROLS & PROCEDURES

Management has evaluated the effectiveness of its disclosure controls and procedures and has concluded that they are sufficiently effective to provide reasonable assurance that material information relating to the Company is made known to management and disclosed in accordance with applicable securities regulations.

CORPORATE GOVERNANCE

The Company's Board and its committees substantially follow the recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The current Board is comprised of 4 individuals, 2 of whom are neither executive officers nor employees of the Company and are unrelated in that they are independent of management. The Audit Committee is comprised of 3 directors, 2 of whom are independent of management.

OTHER MD&A REQUIREMENTS

Additional information relating to the Company may be found on or in:

- SEDAR at www.sedar.com,
- the Company's audited consolidated financial statements for the year ended October 31, 2017.

This MD&A has been approved by the Board of Directors of Blue River Resources Corp. on February 28, 2018