Introduction

This Management's Discussion and Analysis ("MD&A") provides a discussion and analysis of the financial condition and results of operations to a reader to assess material changes in the financial condition and results of operations as at and for the year ended March 31, 2016. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited annual consolidated financial statements of Aston Bay Holdings Ltd. ("Aston Bay" or the "Company") for the years ended March 31, 2016 and 2015 and the notes thereto (the "Statements"). Readers are encouraged to review the Statements in conjunction with this document. All reported amounts are stated in Canadian dollars unless otherwise indicated. The information contained herein is presented as at July 26, 2016, unless otherwise indicated.

Description of Business

The Company was incorporated in British Columbia, Canada on February 28, 2011 as Escudo Capital Corporation. The Company was incorporated as a "Capital Pool Corporation" ("CPC"), as this term is defined in the policies of the TSX Venture Exchange (the "Exchange"). On May 2, 2013, the Company completed a Qualifying Transaction, as this term is defined in the policies of the Exchange, when it acquired 100% of the issued and outstanding shares of Aston Bay Ventures Ltd. under the terms of a reverse takeover transaction (the "Transaction") and on May 6, 2013, the shares of the Company began trading on the Exchange under the symbol "BAY". The Company changed its name on May 2, 2013 to Aston Bay Holdings Ltd. in connection with the Company's Transaction. The Company's registered address is #530, 355 Burrard Street, Vancouver, British Columbia, V6C 2G8 and the head office is located at Suite 303, 80 Richmond Street West, Toronto, Ontario, M5H 2A4.

Aston Bay is a mineral exploration and development company involved in the acquisition and exploration of resource properties located in North America. The Company owns a 100% interest in certain mining claims and prospecting permits covering an area of approximately 395,000 hectares on Somerset Island, Nunavut, Canada (the "Storm Copper Project" or the "Aston Bay Property") and it is engaged in exploring copper and zinc prospects on the Aston Bay Property, The Company does not have any resource properties in production at this time.

Discussion of Operations

During the fiscal year, the Company raised a net total of $1,574,212 in its financing activities and continued its focus on advancing the Storm Copper Project, spending cash totaling $565,303 on exploration activities.

<u>Highlights</u>

(i) *Property Acquisition*

On February 18, 2016, the Company completed the acquisition of 100% of the Storm Copper Project from Commander Resources Ltd. ("Commander"):

- The Company issued 11,000,000 shares with a fair market value of $2,530,000 to Commander following shareholder and TSX approval.

- The 11,000,000 shares are held in a voting trust agreement with management of the Company and are subject to a four-year escrow in which releases will be made in installments of 25% per year, on February 18, 2017, February 18, 2018, February 18, 2019 and February 18, 2020. The shares are subject to a right of first offer in favour of Aston Bay.

- Commander retains a Gross Overriding Royalty (the "Commander Royalty") of 0.875% on all lands within the area of interest between Aston Bay and Commander (the "Commander AOI"). Aston Bay has the option to buy down the Commander Royalty to 0.4% for a one-time payment of $4,000,000.

(ii) *Letter of Intent signed with BHP Billiton Ltd.*

On January 28, 2016, Aston Bay announced that it had signed a Letter of Intent (the "BHPB LOI") with BHP Billiton Ltd. ("BHP Billiton"). The BHPB LOI was subsequently superseded by an Option Agreement (the "Option Agreement") in May 2016, signed by Aston Bay and BHP Billiton (see "*Subsequent Events*"). Under the terms of the BHPB LOI and the Option Agreement, BHP Billiton may earn a 75% interest in the Storm Copper Project by spending $40,000,000 in exploration expenses over a period of nine years from the date of the Option Agreement, including a minimum of $2,500,000 required expenditure during the first two years. The BHPB LOI and Option Agreement also provide for a gross overriding royalty (the "Aston Bay Royalty") of 0.3% on the territory within the area of interest between Aston Bay and BHBP (the "ABH-BHPB AOI") that falls outside the Commander AOI.

(iii) *Early Works Agreement signed with BHP Billiton Ltd.*

On March 23, 2016, Aston Bay announced that it had signed an Early Works Agreement (the "Early Works Agreement") with BHP Billiton, which augmented the BHPB LOI. The Early Works Agreement advanced and provided the framework for funding of certain permitting, procurement and logistics activities by the Company in preparation for the summer 2016 exploration program during the period in which negotiations regarding the Option Agreement were ongoing. The Early Works Agreement was superseded by the Option Agreement (see "*Subsequent Events*").

Exploration Expenditures

The following table sets forth a breakdown of the material components of the Company's exploration expenditures for the years ended March 31, 2016 and 2015.

	Year Ended March 31,	
	2016	2015
Storm Copper Project		
Geological	$ 215,044	$ 155,277
Geophysical	88,766	500
Drilling	-	410,084
Analytical	-	325
Supplies, equipment, rental	50,539	41,798
Accommodation and food	20,652	10,950
Aviation, transportation and travel	129,357	240,699
Contractors	6,825	-
Project management	18,500	102,000
Commander payment	-	35,408
Other	1,450	1,000
Claim staking	34,170	33,753
	$ 565,303	$ 1,031,794

Mineral Property

Property Description

The Storm Copper Project is located 112 km south of the community of Resolute Bay, Nunavut on northwest Somerset Island and centred geographically at approximately 73°39' North latitude and 94°20' West longitude. The property is adjacent to tidewater on Aston Bay and consists of sixteen (16) active prospecting permits and fifty-seven (57) mineral claims, covering an area of approximately 395,000 hectares.

Historical exploration around the Aston Bay Property has defined two distinct styles of mineralization, each associated with its own specific stratigraphic horizon. The stratabound Seal Zinc (Zn) showing occurs in Early to Middle Ordovician Ship Point Formation rocks. The stratigraphic and structurally controlled Storm Copper (Cu) showings occur at least 800 m higher in the stratigraphic column in the Late Ordovician to Late Silurian Allen Bay Formation (Cook and Moreton, 2000).

Mineralization at the Seal Zn showings is primarily hosted within a quartz arenite unit with interbedded dolostone and sandy dolostone of the Ordovician Ship Point Formation. Mineralization at the Storm Cu showings is epigenetic, carbonate-hosted and lies within an intracratonic rift basin that has been modified by folding and faulting. The mineralization is spatially associated with the north and south boundary faults of the Central Graben. This structure is interpreted as a pull-apart basin developed as a result of translational movement along basement-rooted faults. The basal Aston Formation red beds are thought to be a plausible source of metals for the mineralization at both the Seal Zn and Storm Cu showings.

The area has been an exploration target since 1960 when mineralization was first discovered while conducting oil and gas exploration in the region. From early 1964 until 2007, Teck Resources ("Teck") was actively conducting exploration within Aston Bay's property. Commander Resources Ltd. acquired prospecting permits in the area after the land package held by Teck lapsed in 2007.

Historical Work Highlights

The original Storm Copper showings are located 20 kilometres (km) east of Aston Bay along boundary faults that define an inter-cratonic graben structure. The prospect was evaluated with drilling by Teck between 1996 and 2000. During this time more than 9,000m of core was drilled in 67 holes. These efforts defined four separate zones of copper mineralization all of which remain open both laterally and vertically. Highlights from the historical drilling at the Storm prospect are presented in the table below:

Table of Selected Drill Results from the Storm Copper Prospect[1]

Zone	Drill Hole	From (m)	To (m)	Length (m)	Cu (%)
2200N	**ST97-02**	**0.00**	**31.70**	**31.70**	**2.08**
	includes	*0.00*	*5.10*	*5.10*	*11.84*
	ST97-03	**0.00**	**50.90**	**50.90**	**1.74**
	includes	*0.00*	*6.40*	*6.40*	*7.38*
	and	*22.90*	*28.00*	*5.10*	*2.56*
2750N	**ST97-08**	**0.00**	**110.00**	**110.00**	**2.45**
	includes	*25.20*	*58.00*	*32.80*	*5.40*
	and	*72.50*	*82.00*	*9.50*	*3.40*
	ST97-09	**62.30**	**86.90**	**24.60**	**2.18**
	ST99-19	**12.20**	**68.50**	**56.30**	**3.07**
	includes	*22.00*	*46.60*	*24.60*	*6.17*
3500N	**ST99-31**	**4.60**	**115.30**	**110.70**	**0.74**
	includes	*4.60*	*65.10*	*60.50*	*1.15*
	ST99-43	**26.60**	**77.40**	**50.80**	**0.74**
	includes	*41.00*	*58.30*	*17.30*	*1.27*
4100N	**ST97-13**	**59.80**	**113.00**	**53.20**	**1.34**
	includes	*59.80*	*70.00*	*10.20*	*2.87*

Zone	Drill Hole	From (m)	To (m)	Length (m)	Cu (%)
	and	*88.40*	*112.00*	*23.60*	*1.49*
	ST99-47	**43.40**	**111.00**	**67.60**	**1.33**
	includes	*72.40*	*88.10*	*15.70*	*3.75*
	ST99-53	**17.30**	**56.90**	**39.60**	**1.15**
	includes	*20.30*	*43.00*	*22.70*	*1.81*
	ST99-56	**32.60**	**67.80**	**35.20**	**1.25**
	includes	*52.40*	*67.80*	*15.40*	*2.48*
	ST99-56	**89.50**	**111.00**	**21.50**	**0.66**
	ST00-60	**54.00**	**78.30**	**24.30**	**0.94**
	includes	*54.00*	*58.90*	*4.90*	*2.26*
	and	*73.40*	*76.60*	*3.20*	*3.33*
	ST00-61	**48.90**	**70.10**	**21.20**	**1.05**
	ST00-62	**60.00**	**111.30**	**51.30**	**1.16**
	includes	*78.00*	*106.00*	*28.00*	*1.83*
	ST00-64	**56.60**	**84.20**	**27.60**	**1.09**

1 Drill results reported are core length and may not be indicative of true width of mineralization.

The Seal Zinc showing is located on Aston Bay and approximately 350 m from tide-water. The prospect was evaluated with drilling by Teck between 1995 and 2001. During this time a total of 5,115 m of core was drilled in 32 holes. These efforts defined a zone of strata bound zinc and silver mineralization that remains open. Highlights from the drilling are presented in the table below:

Table of Selected Drill Results from the Seal Zinc Prospect

Drill Hole	Interval			Ag (g/t)	Zn (%)
	From (m)	To (m)	Length (m)		
AB95-02	**51.80**	**70.60**	**18.80**	**28.7**	**10.58**
includes	*52.40*	*60.70*	*8.30*	*36.5*	*15.62*
and	*66.00*	*70.60*	*4.60*	*46.9*	*13.83*
AB95-03	**76.60**	**98.70**	**22.10**	**27.1**	**6.62**
includes	*76.60*	*81.00*	*4.40*	*51.5*	*11.26*
and	*90.50*	*96.40*	*5.90*	*48.6*	*13.38*
AB95-06	**101.50**	**132.30**	**30.80**	**23.0**	**5.11**
includes	*101.50*	*106.40*	*4.90*	*26.3*	*8.51*
and	*110.80*	*119.20*	*8.40*	*32.6*	*7.76*
and	*128.30*	*132.30*	*4.00*	*57.5*	*8.63*
AB95-07	**118.80**	**137.00**	**18.20**	**21.6**	**3.33**
includes	*133.50*	*137.00*	*3.50*	*91.9*	*15.13*
AB95-10	**137.00**	**147.00**	**10.00**	**21.9**	**1.40**
AB95-11	**191.00**	**206.00**	**15.00**	**25.6**	**1.06**
includes	*204.00*	*206.00*	*2.00*	*111.0*	*4.55*

1 Drill results reported are core length and may not be indicative of true width of mineralization.

In 2011, Commander conducted a 3,970 line-km versatile time domain electromagnetic (VTEM) and aeromagnetic survey over the Storm showings. Strong conductivity anomalies were observed for the 2200N, 2750N and 4100N zones; however, the 3500N zone showed a negligible conductivity response, indicating that the survey may be blind to some of the mineralization present on the property. Overall, results from the survey suggest that copper mineralization may extend to greater depths than has been tested by drilling and provides targets for additional drilling at the known zones.

<u>Aston Bay's Prior Work</u>

Exploration seasons in 2012 and 2013 saw short programs of claim staking and processing of existing core. Drill core from Seal Zn and Storm Cu was re-logged for geology and mineralization, locally resampled for confirmation purposes, and new sampling was undertaken in mineralized zones. These latter exercises were used to construct and refine three-dimensional geological and mineralization models for future use in possible resource estimations. Additionally, a mini-bulk sample comprising approximately 200 kilograms of Seal Zn mineralization was collected for future metallurgical work.

In October 2014, Aston Bay applied to acquire six new Prospecting Permits (the "2014 Permits") that are contiguous with the Aston Bay Property. The 2014 Permits were awarded to the Company in February 2015 (see news release dated February 5, 2015) and cover an area of 319,760 acres (129,400 hectares), which approximately doubles the project area.

The 2014 Permits cover approximately 80 km of prospective strike length along the southern extension of the sedimentary formation, which hosts the copper mineralization at Storm. The total strike length of rocks prospective for copper now exceeds 110 km with this acquisition. Chalcocite and malachite grab samples were collected over an area 100m in diameter at one location within the permit area (see map included in the Company's press release dated February 5, 2015) during a short prospecting trip conducted during the summer 2014 exploration program. Laboratory analysis of the grab samples from frost boils, which were discovered more than 30 km south of the drill-confirmed copper mineralization at Storm, yielded assays of up to 33.9% copper.

During July and August 2014, Aston Bay completed a joint summer exploration program at Storm Cu in conjunction with a wholly owned subsidiary of Antofagasta plc ("Antofagasta"). New discoveries of copper-bearing frost-heaved sub-crop and float at Storm have increased the distance over which copper mineralization has been found at surface.

The joint exploration program was conducted over a three-week period by technical professionals from Aston Bay, Antofagasta and APEX Geoscience Ltd. ("APEX"). Work completed at Storm in 2014 included geological mapping in the vicinity of the known mineralization as well as prospecting and soil sampling in areas where little or no mineralization had been previously identified. Targeting for the prospecting and soil sampling was driven by results from the VTEM survey conducted in 2011 and previous soil sampling programs. Copper-bearing minerals, including malachite and chalcocite, were discovered in frost-heaved sub-crop and float in several areas where no previous drilling or surface sampling had been conducted.

The Blizzard Target Area, a kilometre-scale conductivity anomaly identified by reprocessing of the 2011 VTEM survey, is oval in shape with approximate dimensions of 4.0km x 1.5km and was investigated by the Company during the 2014 joint exploration program. The prospectivity of the Blizzard Target Area is enhanced by locally elevated levels of copper in the rocks, soils and stream sediments that lie above the Blizzard Target Area and the apparent location along the structural system that hosts mineralization identified in previous drilling. The Blizzard Target Area is significantly larger than any known mineralized zones at the Storm Copper Project.

The Blizzard Target Area is one of several conductivity targets identified in the VTEM survey data collected in 2011 and re-interpreted in 2014. Interpretation of the VTEM data suggests that sulphides may be the source of the Blizzard Target Area and that the top of the conductor is about 220m below surface. The prospectivity of the Blizzard Target Area is enhanced by the discovery of chips of copper-bearing minerals, including malachite, in frost boils located over the target as well as anomalous copper values in stream and sediment samples collected over its length. Finally, the structural environment is believed to be favourable for fluid flow, which enhances the potential for mineralization.

The importance of the Blizzard Target Area as a target for the 2015 season was enhanced with the discovery of a historical gravity survey and the presence of a spatially associated positive gravity anomaly, as announced by the Company on May 28, 2015.

<u>Activities in the Fiscal Year ended March 31, 2016</u>

On January 18, 2015, Aston Bay announced that it had commenced planning for the 2015 field exploration season, and in connection the Company released information regarding a key focus for the 2015 season, a kilometre-scale conductivity anomaly named the "Blizzard Anomaly" (previously, the "SE Anomaly"). The Blizzard Anomaly is oval in shape with approximate dimensions of 4.0km x 1.5km and was investigated by the Company during the 2014 joint exploration program in conjunction with a wholly-owned subsidiary of Antofagasta plc ("Antofagasta"). The prospectivity of the Blizzard Anomaly is enhanced by locally elevated levels of copper in the rocks, soils and stream sediments that lie above the Blizzard Anomaly and the apparent location along the structural system that hosts mineralization identified in previous drilling. The Blizzard Anomaly is significantly larger than any previously known mineralized zones at the Aston Bay Property.

On May 28, 2015, the Company announced the results of a newly discovered historical ground survey (circa 1999) of gravity data that strengthens the Company's enthusiasm toward exploring the Blizzard Anomaly at the Aston Bay Property. The ground survey improves the prospectivity of the kilometre-scale target, with the coincidence of a spatially associated positive gravity anomaly over the southern third of the Blizzard Anomaly. This is highly suggestive of a large, drill-ready target. See the Company's press release of May 28, 2015, for more information regarding the Blizzard Anomaly and the newly discovered gravity data.

The 2015 field program was conducted and successfully completed in August 2015, during which gravity measurements were collected at 987 stations on the Aston Bay Property. Gravity field measurements detect variations in the local gravity field that result from density contrasts in the subsurface, such as higher density copper minerals and associated alteration minerals at a number of mineralized zones versus their host carbonate rocks, as seen at Storm. The program provided orientation surveys over areas of known mineralization and coverage of high-priority conductivity targets identified by the 2011 VTEM survey.

On September 30, 2015, the Company announced that gravity surveys conducted during the 2015 field program had identified two high-priority drill targets at the Aston Bay Property. The gravity anomalies identified from the program are of significant size and amplitude, and are considered priorities for drill testing.

Key successes of the 2015 field program included:

<u>*"Blizzard Target Area" (also called the "Blizzard Anomaly")*</u>*:*

- The historic gravity anomaly in the Blizzard Target Area was confirmed and further defined.
- An additional new 0.7 (up to 0.9) mGal gravity anomaly measuring 1,200 m x 600 m was identified.
- The historic and new gravity anomalies are spatially coincident with a VTEM conductivity anomaly and a weak surface copper geochemical anomaly.
- Blizzard is considered a high priority for further geophysical work and drill testing.

<u>*"Tornado Target Area" (formerly the "Eastern Extension")*</u>*:*

- A new significant 1.0 (up to 2.0) mGal gravity anomaly was identified, measuring 1,100 m north-south and at least 1,100 m east-west; it remains open east-west along strike.
- The Tornado gravity anomaly coincides with a VTEM conductivity anomaly and a surface copper geochemical anomaly.
- Tornado is considered to be a high priority for further geophysical work and drill testing.

<u>"Squall Target Area"</u>:

- A 0.35 mGal gravity anomaly measuring at least 900 m x 200 m was identified approximately 4.5 km west-northwest from the 4100N Zone along the same structural corridor. It is open to the east and west.
- Similar to the 4100N Zone, the anomaly is coincident with a weak surface copper geochemical anomaly, and it lies on the margin of a VTEM conductivity anomaly.
- Squall is considered a promising target and is a priority for further geophysical work.

<u>Core Mineralized Zones Orientation Surveys</u>:

- Gravity anomalies of 0.6 (up to 1.0) mGal and 0.2 (up to 0.4) mGal were observed at the 4100N and 3500N zones, respectively.
- Both gravity anomalies remain open along strike.
- The observed gravity anomalies are coincident with known copper mineralization in both the 4100N and 3500N zones, with a significant VTEM conductivity anomaly also present at the 4100N Zone.
- Both zones are considered a high priority for additional geophysical work and drill testing.

The Company completed the 2015 exploration program in August 2015 and continued to analyse data collected during the program. As announced on August 4, 2015, the goal of the 2015 field program was to obtain gravity data over compelling, kilometre-scale conductivity anomalies such as the Blizzard Target Area and the Tornado Target Area, as well as the zones of mineralization defined by previous drilling. Additional information collected during the program was and continues to be integrated with data from the 2011 VTEM survey, as well as previous sampling and prospecting results, to further refine targets for the 2016 drill program (see "*Subsequent Events*").

On March 3, 2016, the Company announced that it had been granted six new prospecting permits, encompassing the newly defined "Hurricane Target Area" (also called "Hurricane"), a broad 10 km (north-south) by 2 km (east-west), L-shaped GEOTEM® anomaly, interpreted as a conductive body with a strong central core rooted in bedrock source, possibly related to sulphide mineralization. Hurricane had been selected as a favourable target for follow-up work by Noranda Inc. in 2000, including reconnaissance ground electromagnetic and gravity surveys.

Six new prospecting permits, covering a combined area of 135,546 hectares (ha), were granted to Aston Bay on February 1, 2016 for a term of five years, of which the Company was officially notified on February 24, 2016 (see first map included in the Company's press release dated March 3, 2016). This acquisition has increased the overall Aston Bay land package to 395,118 ha (976,357 acres). The area covered by the six new prospecting permits, including the Hurricane Target Area, is covered by the ABH-BHPB AOI in the BHPB LOI and Option Agreement. Hurricane is located 38 km south of the main Storm Copper showings, and 18 km north-northwest of the Typhoon Zinc showing (see second map included in the Company's press release dated March 3, 2016).

The Hurricane Target Area was identified as a priority target from the 2015 reinterpretation of the historical geophysical data acquired from Teck. The GEOTEM® survey was flown in April 2000 by Fugro Airborne Surveys, on behalf of Noranda Inc. GEOTEM® is a fixed-wing time-domain electromagnetic and magnetic survey. A total of 3,620 line-km of data were collected on lines spaced 250 to 300 m apart. The survey initially identified 29 anomalies of interest, including the Hurricane Target Area.

<u>Outlook</u>

As of the date of this MD&A, the Company has commenced its 2016 field exploration program at the Storm Copper Project, as announced on June 28, 2016. The program includes approximately 2,000 m of drilling, as well as other planned work. Aston Bay is the operator of the program, which is budgeted at approximately $4,000,000. BHP Billiton is funding the exploration-related expenditure incurred by Aston Bay in connection with the program as part of its Option Agreement. See "*Subsequent Events*" for additional details regarding the 2016 field exploration season.

Selected Annual Information

The following selected annual financial data has been obtained from the Company's annual consolidated financial statements, which were prepared in accordance with IFRS.

	Year Ended March 31,		
	2016	2015	2014
Revenue	$0	$0	$0
Loss	$788,440	$763,244	$1,124,703
Loss per share, basic and diluted	$0.02	$0.03	$0.05

	As at March 31,		
	2016	2015	2014
Mineral properties	$5,603,248	$2,507,945	$1,537,112
Total assets	$6,177,101	$2,562,106	$1,560,242
Current liabilities	$407,670	$532,022	$261,328

For the year ended March 31, 2016, the Company reported a loss of $788,440 (2015 - $763,244), comprised primarily of consulting fees of $279,089 (2015 - $302,243), stock-based compensation of $213,500 (2015 - $231,821), professional fees of $105,521 (2015 - $168,890) and general and administrative expenses of $195,157 (2015 - $113,465).

The year ended March 31, 2014 included listing costs related to the reverse take-over transaction in the amount of $550,265.

Summary of Quarterly Results

The selected quarterly financial information for the past eight financial quarters is outlined below. The information has been prepared in accordance with IFRS.

	Three Months Ended			
	Mar 31, 2016	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015
Loss	$464,700	$137,180	$91,254	$95,306
Loss per share, basic and diluted	$0.01	$0.00	$0.00	$0.00

	Three Months Ended			
	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Loss	$150,975	$234,362	$150,677	$227,230
Loss per share, basic and diluted	$0.01	$0.01	$0.01	$0.01

Discussion of Quarterly Variations

The timing of stock-based compensation expense and premium on flow-through shares impacts the variation of quarterly results. For the full fiscal year ended March 31, 2016, stock-based compensation was $213,500, compared to $231,821 in 2015. The quarterly amount of the expense is tied to the timing of the award and the vesting period, among other factors.

Excluding stock-based compensation and premium on flow-through shares, the quarterly losses for 2016 were: Q4 $265,000, Q3 $123,380, Q2 $129,504, and Q1 $95,306. The fourth quarter included higher than usual legal costs, primarily related to the property acquisition from Commander and the BHPB LOI, Early Works Agreement and Option Agreement with BHP Billiton, as well as an increase in marketing activity. The first quarter had lower than typical levels of professional fees.

Excluding stock-based compensation and premium on flow-through shares, the quarterly losses for 2015 were: Q4 $158,690, Q3 $148,918, Q2 $144,158 and Q1 $147,958

The majority of the Company's overhead related to consulting arrangements are structured in U.S. Dollars and, as the Company reports in Canadian Dollars, it is exposed to fluctuations in the U.S. Dollar. The average rate of exchange of the U.S. Dollar for the 2016 fiscal year was 1.31 compared to 1.14 in 2015, a 15% increase, which impacted consulting fees and professional fees.

Fourth Quarter 2016 Financial Review

During the fourth quarter, the Company generated $866,962 in cash through the issuance of common stock in non-brokered private placements and used $561,467 in operating activities and $51,716 in exploration activities, increasing the cash position by $253,779 to $302,937 at March 31, 2016.

The Company's active field exploration is principally conducted in the summer.

Liquidity and Capital Resources

The Company generates cash primarily through financing activities. It was successful during the year at raising the amount of cash it required. At March 31, 2016 it reported cash of $302,937 and working capital of $166,183. Subsequent to year end, on July 11, 2016 the Company raised an additional $1,800,000 in gross proceeds through the issuance of common stock for general corporate purposes (see "*Subsequent Events*"). The Company also expects to receive $325,000 from BHP Billiton Ltd. upon the closing of the Option Agreement (see "*Subsequent Events*").

For the coming fiscal year, the Company expects that all of its planned exploration activities will be funded by BHP Billiton as it fulfills its obligations under the Option Agreement. Aston Bay, as the operator of the Storm Project, ensures that it has a sufficient level of working capital available to run the exploration programs and meet its overhead costs.

As at the date of this MD&A, the Company has outstanding commitments related to its summer exploration program. BHP Billiton is funding the exploration related expenditure incurred by Aston Bay in connection with the field season pursuant to the terms of the Option Agreement.

Under existing plans, the Company believes that it currently has sufficient capital resources available to meet its working capital needs for the coming fiscal year. The Company is involved in early stage exploration and data analysis. It has no current sources of revenue and does not anticipate receiving revenue in the foreseeable future. It is highly likely that it will continue to depend on equity financings in the future. The availability of future funding will depend on factors that include market conditions and the Company's exploration results.

Off-Balance Sheet Arrangements

The Company does not have any material off-balance sheet arrangements that have, or are reasonably likely to have, an effect on the results of operations or financial condition of the Company.

Related Party Transactions

Following is a discussion of the transactions with related parties:

(i) The Company was charged $131,464 (2015 - $164,417) under the terms of a management and administrative services agreement (the "Management Services Agreement") with Oren Inc., a company majority owned and controlled by the Company's CEO and director Benjamin Cox. Pursuant to the Management Services Agreement, Oren Inc. manages the Company's back office responsibilities for a USD $7,000 per month fee (the "Monthly Fee"), which consists of USD $5,000 per month for hours worked in accordance with the Management Services Agreement plus USD $2,000 per month for overhead expenses. The Monthly Fee is based on a maximum of 10 man-days worked per month by Oren Inc. personnel in a management or administrative capacity, excluding any services provided by Benjamin Cox or Iris Cox, where a man-day consists of six billable hours. Any man-days worked by Oren Inc. personnel in a calendar month above the 10 man-days included in the Monthly Fee shall be paid at a rate of USD $500 per man-day additional to the Monthly Fee. Approval of the Company's board of directors is required for hours of Oren Inc. personnel totaling more than four man-days more than the 10 man-days included in the Monthly Fee.

The Management Services Agreement became effective on May 2, 2013, and was to terminate on the earlier of (i) December 31, 2013 or (ii) the termination of the agreement by either party to the Management Services Agreement upon 45 days' written notice to the other party. Notwithstanding the terms of the Management Services Agreement as written, the Management Services Agreement has been operating on a month-to-month basis since December 31, 2013.

(ii) The Company was charged consulting fees of $40,496 (2015 – $23,991) by Iris Cox, the wife of Benjamin Cox, who is retained as in-house legal counsel. The fees are charged in USD and based on the number of hours of service delivered.

(iii) The Company was charged consulting fees of $125,956 (2015 - $109,196) under the terms of an executive services agreement (the "Executive Services Agreement") with Benjamin Cox and Associates ("BCA"), a company owned and controlled by Benjamin Cox. The Executive Services Agreement provides that BCA will provide executive services for the Company for a monthly fee (the "Fee") of USD $8,000 through June 30, 2014. The Fee includes up to 12 hours per week worked in an executive capacity by Benjamin Cox, and any hours worked by Mr. Cox in excess of 12 hours per week are to be paid by the Company to BCA at a rate of USD $250 per hour.

The Executive Services Agreement became effective on May 2, 2013, and was to have terminated on the earlier of (i) December 31, 2013 or (ii) the termination of the agreement by either party to the Executive Services Agreement upon 45 days' written notice to the other party. Notwithstanding the terms of the Executive Services Agreement as written, the Executive Services Agreement has been operating on a month-to-month basis since December 31, 2013.

(iv) Consulting fees of $31,669 (2015 - $26,798) were charged by Moshe Cohen for services delivered in his capacity as the Company's Chief Financial Officer. The fees were billed in USD.

(v) The Company was charged $19,425 (2015 – $106,719) under a consulting agreement with LithoQuest Capital Inc., a company controlled by Bruce Counts, for the provision of services related to his capacity as Chief Operating Officer of the Company until January 31, 2016. During the year, the Company was charged interest of $9,342 (2015 - $9,562) related to outstanding balances.

(vi) The Company was charged $325,857 (2015 - $320,151) in fees from APEX Geoscience Ltd. ("APEX"), a mining and engineering firm controlled by Michael Dufresne, who was elected a director of the Company on December 21, 2015. APEX has performed the bulk of the Company's geological activities, and in addition to currently being a director, Mr. Dufresne acts as the Company's Primary Geologist and as its Qualified Person under NI 43-101.

(vii) On February 1, 2016 the Company appointed Thomas Ullrich in the capacity of Chief Operating Officer and Executive Vice President Exploration. Compensation in the amount of $17,500 was accrued during the year and a final employment contract was signed subsequent to year-end.

These transactions were in the normal course of business and were measured at the exchange amount. With the exception of the interest paid on the LithoQuest account (item (v)), all transactions with related parties are non-interest-bearing and payable on demand.

Proposed Transactions

As of the date of this MD&A, there are no proposed transactions of a material nature being considered by the Company.

New Accounting Policies

There were no accounting policies adopted during the year ended March 31, 2016.

Future Accounting Pronouncements

The following standards have been issued but not yet adopted by the Company.

(i) IFRS 9 - Financial Instruments

IFRS 9, Financial Instruments ("IFRS 9") was issued by the IASB in November 2009 and will replace IAS 39, "Financial Instruments: Recognition and Measurement" ("IAS 39"). IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The Company currently intends to adopt the standard on its effective date and is evaluating the impact on its consolidated financial statements.

(ii) IFRS 16 - Leases

IFRS 16, Leases ("IFRS 16") was issued in January 2016 and specifies how an entity 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. This standard becomes effective for annual periods beginning on or after January 1, 2019 and management does not currently anticipate the early adoption of the standard.

Financial Instruments

At March 31, 2016, the Company's financial instruments consist of cash, tax recoverable, accounts receivable and accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying values due to the relatively short-term maturity of these instruments.

Fair Values - The carrying amounts of cash, tax recoverable, accounts receivable, and accounts payable and accrued liabilities approximate their fair value because of the short-term maturity of these instruments.

Credit Risk - Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high credit quality financial institution.

Interest Rate Risk - The Company is not exposed to any significant interest rate risk.

Liquidity Risk - Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

Subsequent Events

BHP Billiton Ltd. Option Agreement

On May 27, 2016, the Company signed a definitive Option Agreement (the "Option Agreement"), with a Canadian Subsidiary of BHP Billiton Ltd. ("BHP Billiton"), to cooperatively advance the Storm Copper Project. The Option Agreement superseded the BHPB LOI and the Early Works Agreement, and terms of the Option Agreement govern the relationship between the Company and BHP Billiton as of the date of this MD&A.

Under the terms of the Option Agreement, BHP Billiton may earn a 75% interest in Storm by spending a minimum of $40,000,000 on qualifying exploration expenditures over a period of up to nine years, with minimum expenditures of $2,500,000 in the first two years. Aston Bay has no required exploration expenses for four years from the closing. Commander Resources Ltd. retains its 0.875% Gross Overriding Royalty over the Commander AOI, and Aston Bay will hold a Gross Overriding Royalty of 0.3% on the territory covered by the ABH-BHBP AOI which is outside the Commander AOI.

Approval of the TSX Venture Exchange has been granted and funding of the 2016 summer exploration program activities has commenced. BHP Billiton will make a cash payment of $325,000 to Aston Bay upon closing of the Option Agreement, which is expected in due course following routine closing procedures, which are not guaranteed to occur. Aston Bay intends to use the proceeds of that payment for working capital purposes.

Planning for 2016 Field Season

On June 28, 2016, Aston Bay announced that it was mobilizing for its 2016 summer field season at the Storm Property. BHP Billiton is funding the exploration related expenditure incurred by Aston Bay in connection with the field season pursuant to the terms of the Option Agreement. Drilling and other planned activities commenced in early July 2016. The planned program includes drilling, as well as activities planned to identify additional targets for future exploration programs and to strengthen the understanding of the processes and controls on existing mineralization. Aston Bay is the Operator of the 2016 program, which is budgeted at approximately $4,000,000.

Work planned to be done as part of the 2016 exploration program, which is ongoing, includes:

- Approximately 2,000 metres (m) of drilling;
- Re-logging of existing drill core;
- Surface mapping and regional soil sampling over a 105 km strike length to develop new targets for future seasons; and
- Prospecting to investigate promising contacts and structures.

Commander Property Purchase Agreement Obligations Satisfied

Including recognition of exploration-related expenditures accrued during planning of the 2016 field season, following year-end, Aston Bay met its expenditure commitments to Commander, and as a result potential additional share issuance obligations under the terms of the Property Purchase Agreement of December 16, 2015 between Aston Bay and Commander have been waived by Commander and acknowledged to no longer be in effect.

Financing Activities

On July 11, 2016, the Company completed a non-brokered private placement consisting of a total of 4,000,000 common shares at a price of $0.45 per share, for gross proceeds of $1,800,000.

Disclosure of Outstanding Share Data

The Company is authorized to issue an unlimited number of common shares without par value. On July 26, 2016, there were 58,772,589 common shares issued and outstanding, 5,245,000 stock options outstanding with a weighted average exercise price of $0.25, expiring between 2020 and 2023, and 2,838,711 warrants with a weighted average exercise price of $0.17, expiring December 2016 (281,211) and January 2018 (2,557,500).

Risks and Uncertainties

The Company's principal activity is mineral exploration. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, metal prices, political and economic.

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

The Company has no significant source of operating cash flow and no revenues from operations. None of the Company's mineral properties currently have reserves. The Company has limited financial resources. Substantial expenditures will be required to be made by the Company in order to establish ore reserves, which is not a guaranteed outcome.

The property interests owned by the Company are in the exploration stages only, are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. Exploration of the Company's mineral exploration may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company may be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

The Company currently has limited working capital and incurs significant expenses on an on-going basis by virtue of being a public company, and this represents a significant risk factor. The Company will therefore require additional financing to carry on its business, and such financing may not be available when it is needed.

Forward Looking Statements & Cautionary Factors that may Affect Future Results

This MD&A may contain "forward-looking statements" which reflect the Company's current expectations regarding the future results of operations, performance and achievements. The Company has tried, wherever possible, to identify these forward-looking statements by, among other things, using words such as "anticipate," "believe," "estimate," "expect" and similar expressions. The statements reflect the current beliefs of the management of the Company, and are based on currently available information. Accordingly, these statements are subject to known and unknown risks, uncertainties and other factors, which could cause the actual results, performance, or achievements of the Company to differ materially from those expressed in, or implied by, these statements. Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations.

Qualified Person

The content of the section of this MD&A entitled "Mineral Property" has been approved by Michael Dufresne, M.Sc., P.Geo., who is a Qualified Person as defined by NI 43-101 and a Director of and Consultant to Aston Bay.

Additional Information

Additional information relating to the Company is available on the SEDAR website, www.sedar.com.