



**MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS  
FOR THE THREE MONTHS ENDED NOVEMBER 30, 2017**

**OVERVIEW AND INTRODUCTORY COMMENT**

Viscount Mining is a project generator and an exploration company with a portfolio of silver and gold properties in the Western United States, including Silver Cliff in Colorado and Cherry Creek in Nevada.

The Silver Cliff property in Colorado lies within the historic Hardscrabble Silver District in the Wet Mountain Valley, Custer County, south-central Colorado. It is located 44 miles WSW of Pueblo, Colorado, and has year-around access by paved road. The property consists of 2,029 acres where high grade silver, gold and base metal production came from numerous mines during the period 1878 to the early 1900's. The property underwent substantial exploration between 1967 and 1984.

The property is interpreted to encompass a portion of a large caldera and highly altered sequence of tertiary rhyolitic flows and fragmental units which offers potential to host deposits with both precious and base metals. This has been demonstrated in the mineralization historically extracted from the numerous underground and surface mining operations. Drilling in the 1980s by Tenneco resulted in a historical pre-feasibility study on which basis it was planned to bring the property to production. The plan was abandoned following takeover by another company.

The Cherry Creek Property is focused on exploration in the immediate vicinity of an area commonly known as the Cherry Creek Mining District, located approximately 30 miles north of the town of Ely, in White Pine County, Nevada. Cherry Creek consists of over 400 unpatented and patented claims as well as mill rights, and is comprised of more than 9,000 acres. Cherry Creek includes more than 20 past producing mines including Blue Bird, Chance Mine, Filmore, Last Chance, Exchequer/ New Century Mine, Ticup and Motherlode mines.

This MD&A is dated January 29, 2018 and discloses specified information up to that date. Unless otherwise noted, all currency amounts are expressed in Canadian dollars. The following information should be read in conjunction with the unaudited condensed consolidated interim financial statements and the related notes for the three months ended November 30, 2017 and the Company's audited consolidated financial statements for the year ended August 31, 2017 and the related notes thereto.

Additional information relevant to the Company and the Company's activities can be found on SEDAR at [www.sedar.com](http://www.sedar.com), and/or on the Company's website at [www.viscountmining.com](http://www.viscountmining.com).

**MAJOR INTERIM PERIOD OPERATING MILESTONES**

**Silver Cliff Property**

The 2017 drilling program commenced in mid-October has as its primary objective the verification of historical drill results for current mineral resource estimation on one of the Silver Cliff deposits known as the Kate Silver Resource (the "KSR"). A second objective is to test the potential for deeper silver mineralization. To date we have received values from DDH P17002 DDH P17004, DDH P17006, DDH P17007 and DDH P17010, which are five of the ten holes.

The following table includes results from Viscount's November 28, 2017, January 10, 2018 and January 24, 2018 news release:

**2017 Drill Holes Announced to Date**

Viscount Hole #	Historical Hole #	From (m)	From (ft.)	To (m)	To (ft.)	Length (m)	Length (ft.)	Ag (oz/t)	Ag (g/t)
P17002	79-05_CC	0	0	34.5	113.2	34.5	113.2	2.91	90.35
P17002	79-05_CC	12	39.4	30	98.4	18	59	3.88	120.58
P17004	77 -07_CC	6	19.7	39	128	33	108.3	2.83	90.35
P17004	77 -07_CC	9	29.5	39	128	30	98.5	3.07	95.48
P17004	77-07_CC	15	49.2	39	128	24	78.8	3.51	109.04
P17006	88-16	0	0	24.5	80.4	24.5	80.4	4.82	149.88
P17006	88_16	0	0	15.5	50.9	15.5	50.9	6.56	203.90
P17007	88_32	0	0	39	128	39	128	1.38	42.85
P17007	88_32	12	39.4	24	78.7	12	39.3	2.65	82.50
P17010	RH27_CAL	13.5	44.3	46.5	152.6	33	108.3	2.57	79.53
P17010	RH27_CAL	33	108.3	46.5	152.5	13.5	44.5	3.95	122.85

Drill hole DDH P17002 assayed 90.35 grams per tonne (2.91 ounces per ton) silver from surface to 34.5 metres (113 feet) including an 18 m (59 ft) portion averaging 120.58 g/t (3.88 oz/t).

Vertical hole (minus 90 degrees) P17002 penetrated to a depth of 197.1 m (646.7 ft) and assays of continuous 1.5 m (4.92 ft) sample intervals only to a depth 36 m (118.1 ft) have been received from ALS Canada Ltd. Of this portion of the hole, the first 34.5 m (113.2 ft) from surface averaged 90.35 parts per million (ppm, that is, g/t, or 2.91 oz/t), including an 18 m (59 ft) portion from 12 m to 30 m (39.4 ft to 98.4 ft) averaging 120.58 g/t (3.88 oz/t). Historical hole 79\_5\_CC drilled in 1979 and twinned by P17002 was reported to have only an 18.3 m (60 ft) interval averaging more than 31.1 g/t (1.0 oz/t), namely, from 15.2 m to 33.5 m (50 ft to 110 ft) with 105.43 g/t (3.39 oz/t).

Vertical hole (-90°) P17004 was twinned with historical hole 77-07CC which showed 48.21g/t (1.55 oz/t) over 3.04 m (10ft) from 7.3 m (24 ft) to 10.36m (34 ft) and 106.99g/t (3.44oz/t) over 22.86m (75ft) from 16.4m (54ft) to 39.3m (129ft).

Drill Hole P17004 gave the following results: 90.35 g/t (2.83 oz/t) over 33 m (108 ft) from 6m (20ft) to 39m (128 ft) including 95.48 g/t (3.07oz/t) over 30.02m (98.5ft) from 9m (29.5 ft) to 39 m (128ft) and 109.04 g/t (3.51 oz/t) over 24.01m (78.8ft) from 15 m (49.2 ft) to 38 m (128 ft). The new section is 7.01m (23ft) thicker and is not separated by low grade 9.1m (30ft) rock.

Drill hole P17006 was drilled at -60 degrees and gave the following results: 149.88 g/t (4.82 oz/t) over 24.5 m (80.4 ft) from 0m (0 ft) to 24.5m (80.4 ft) including 203.9 g/t (6.56 oz/t) over 15.5 m (50.9 ft) from 0 m (0 ft) to 15.5 m (50.9 ft). Reported for historic hole 88\_16 twinned by P17006 was 3.81 oz/t over 85 ft from 10 to 95 ft. The true thickness of the reported intersection of this hole is estimated at 83%.

Drill hole P17007 was drilled at -60 degrees and gave the following results: 42.85 g/t (1.38 oz/t) over 39 m (128 ft) from 0 m (0 ft) to 39 m (128 ft) that includes 82.5 g/t (2.65 oz/t) over 12 m (39.3 ft) from 12 m (39.4 ft) to 24 m (78.7 ft). Reported for historic hole 88\_32 twinned by P17007 was 3.43 oz/t over 40 ft from 30 to 70 ft and 2.06 oz/t over 10 ft from 95 to 105 ft. Assays for individual sampled intervals are not known and there could be uncertainty as to whether short tons or tonnes (metric) was referenced in tables available to Viscount. The true thickness of the reported intersection of this hole is estimated at 83%.

Vertical hole (-90) P17010 was twinned with historical hole RH 27CAL that had an assay grade of 25.19 g/t (0.81 oz/t) over 48.15m (158 ft) from 0.60m (2ft) to 48.76 m (160ft).

Drill hole PI 17010 gave the following results: 79.53g/t (2.57oz/t) over 33 m (108 ft) from 13.5 m (33.4 ft) to 46.5 m (152.5ft) that includes 122.85 g/t (3.95 oz/t) over 13.5 m (44.5 ft) from 33m (108ft) to 46.5 m (152.5ft). We can observe that the new drilling grade is more than 3 times higher than historical result.

Although results from more drill holes will be required to determine true thickness, historical geological records and Viscount's 2016 drilling profiles indicate that the mineralized rhyolite tuff beds are nearly horizontal with apparent variations from the horizontal due to vertical displacement by faults.

### **Cherry Creek**

In 2017, Viscount Mining Corp. identified promising gold and silver exploration targets on its 100-per-cent-owned Cherry Creek project in northwestern White Pine County, Nevada.

The Cherry Creek property has a long history of gold, silver, lead, zinc and tungsten production from high-grade veins and replacement deposits. This included production from the Blue Bird, Fillmore, Last Chance, Exchequer/New Century, Star, Ticup and Motherlode mines. In addition to the historical mines, recent exploration in the Flint Canyon area of the Cherry Creek property recognized stratigraphic, structural and geochemical characteristics that are similar to those at sediment-hosted gold mines in eastern Nevada, including Newmont's Long Canyon mine and Pilot Gold's Kinsley Mountain mine.

Data collected on the Cherry Creek property show several areas with strong gold and silver exploration potential that have not yet been adequately tested by focused geologic work or drilling. The Company is planning to explore some of these targets in 2018.

## **INTERIM PERIOD FINANCIAL CONDITION**

### *CAPITAL RESOURCES*

During the three months ended November 30, 2017, 75,000 shares were issued 2017 the Company issued 75,000 shares as part of Silver Creek Option Agreement valued at \$0.295 for a total value of \$21,125 and 386,668 shares were issued when warrant holders exercised \$0.25 warrants for proceeds of \$96,668. These funds will be used to continue the execution of the Company's exploration as well as for general and administrative costs.

The Company's current treasury and the future cash flows from equity issuances including the exercise of additional warrants at \$0.25 after the quarter end are sufficient to fund the planned developments throughout the remainder of 2017. The Company will make adjustment to plans and budgets as required to realize the best potential from its properties.

### **Liquidity and Capital Resources**

At November 30, 2017 the Company had cash and cash equivalents of \$520,187 (August 31, 2017 - \$940,379), amounts receivable and prepaid expenses of \$192,966 (August 31, 2017 - \$225,119), trade payables and accrued liabilities of \$54,544 (August 31, 2017 - \$94,261) and due to related parties of \$1,684 (August 31, 2017 - \$16,058).

The Company will require significant cash funding to conduct its exploration programs, meet its administrative overhead costs, and maintain its resource interests which will require the Company to obtain additional financing. The faces no known liquidity issues and plans its exploration programs based on available resources.

During the months of December 2017 and January 2018, 3,183,833 shares were issued for warrant's exercised at \$0.25.

The Company will continue to consider all sources of financing reasonably available to it, including, equity, debt, and the sale of assets or parts of assets, including mineral properties. There can be no assurance of continued access to finance in the future and an inability to secure financing may require the Company to reduce or defer exploration and development activities.

Results for each of the last eight quarters are set out in the table below:

<b>All amounts in Cdn\$'s except per share data</b>	<b>Three month period ending November 30, 2017</b>	<b>Three month period ending August 31, 2017</b>	<b>Three month period ending May 31, 2017</b>	<b>Three month period ending February 28, 2017</b>
	\$	\$	\$	\$
<b>Operations:</b>				
Revenues	Nil	Nil	Nil	Nil
Net loss and comprehensive loss	(533,141)	(376,059)	(336,584)	(407,234)
Loss per share	0.00	(0.01)	(0.01)	(0.02)
<b>Balance Sheet:</b>				
Total assets	2,600,536	2,819,778	2,120,066	2,317,974
Working capital	1,217,209	652,925	332,593	578,466
Shareholders' equity	2,559,582	2,759,550	2,079,215	2,222,823
	<b>Three month period ending November 30, 2016</b>	<b>Three month period ending August 31, 2016</b>	<b>Three month period ending May 31, 2016</b>	<b>Three month period ending February 29, 2016</b>
	\$	\$	\$	\$
<b>Operations:</b>				
Revenues	Nil	Nil	Nil	Nil
Net loss and comprehensive loss	(533,141)	(524,382)	(351,557)	(329,772)
Loss per share	0.00	(0.04)	(0.01)	(0.01)
<b>Balance Sheet:</b>				
Total assets	2,600,536	2,935,750	1,196,649	1,396,860
Working capital	1,217,209	1,768,322	240,432	508,609
Shareholders' equity	2,559,582	2,794,387	1,126,905	1,365,109

**Comparison of the results from operations for the three months ended November 30, 2017 with November 30, 2016.**

For the three month period ended November 30, 2017, the Company incurred a net loss and comprehensive loss of \$314,781 (2016- \$533,141) resulting in a favourable variance of \$218,360. The variance was primary due to 300,000, five year \$0.57 options granted to officers and directors of the Company and 200,000 five year \$0.57 options granted to consultants with a combined value using the Black-Scholes Option Pricing Model of \$222,602.

**Exploration and Evaluation Properties**

During the three month period ended November 30, 2017, the Company expended \$215,199 (2016 - \$50,417). A summary of the changes in the Company's exploration and evaluation properties for the three month period ended November 30, 2017 and year ended August 31, 2017 are as follows:

	<b>Three Months Ended November 30, 2017</b>	<b>Year ended August 31, 2017</b>
	\$	\$
<b>Balance beginning of year</b>	1,891,426	1,026,065
Property acquisitions	55,060	196,394
Staking new claims and claim maintenance	(3,647)	200,692
Consulting	124,953	310,080
Drilling	38,833	158,195
<b>Total</b>	<b>2,106,625</b>	<b>1,891,426</b>

**RELATED PARTY TRANSACTIONS**

As at November 30, 2017, the balance due to related parties, who are officers, directors and/or shareholders, consists of \$1,684 (August 31, 2017 - \$16,058). The key management personnel compensation for the three month period ended November 30, 2017 was \$153,495 (2016 \$329,552). Amounts owing to or paid relate to consulting services provide by the related parties or by companies controlled by the related parties and for expense reimbursements.

**COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES**

The Company is committed to making cash payments, incurring exploration expenditures and/or issuing common shares pursuant to its exploration and evaluation property agreements as detailed in note 5 of the November 30, 2017 quarterly financial statements filed in conjunction with this MD&A.

**RISK FACTORS**

In our MD&A filed on SEDAR December 4, 2017 in connection with our annual financial statements (the “Annual MD&A”), we have set out our discussion of the risk factors which we believe are the most significant risks faced by Viscount. An adverse development in any one risk factor or any combination of risk factors could result in material adverse outcomes to the Company’s undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to take into account the risk factors to which the Company and its operations are exposed. To the date of this document, there have been no significant changes to the risk factors set out in our Annual MD&A.

**DISCLOSURE OF OUTSTANDING SHARE DATA**

The authorized share capital of the Company consists of an unlimited number of common shares without par value. The following is a summary of the Company’s outstanding share data as at November 30, 2017 and year ended August 31, 2017:

<b>Issued and Outstanding</b>	<b>November 30, 2017</b>	<b>August 31, 2017</b>
Common Shares	47,209,796	46,748,128
Stock Options	4,071,000	4,071,000
Warrants	13,597,536	18,828,992
<b>Fully diluted common shares outstanding</b>	<b>64,878,332</b>	<b>69,648,120</b>

**QUALIFIED PERSON**

Dallas Davis, P.Eng, FEC, an independent consulting geologist, who is the Company's qualified person, reviewing the exploration projects described throughout the MD&A and is responsible for the design and conduct of the exploration programs and the verification and quality assurance of analytical results.

**Cautionary Statements**

This document contains “forward-looking statements” within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and our other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, our estimates of exploration investment, the scope of our exploration programs, and our expectations of ongoing administrative costs. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ

materially from our expectations are disclosed in the Company’s documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change, except as required by law. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks. Readers are cautioned not to place undue reliance on forward-looking statements.