

SPADA GOLD LTD.

Management's Discussion and Analysis

For the period ended March 31, 2017 and March 31, 2016

May 16, 2017

OVERVIEW

Spada Gold Ltd. (the "Company") was incorporated under the Business Corporations Act of British Columbia on June 23, 2015. On April 14, 2016, the Company completed an initial public offering and became a capital pool company as defined in the TSX Venture Exchange ("TSX-V") Policy 2.4. The Company intends to engage in the acquisition and exploration of mineral properties in Canada with a view to completing a Qualifying Transaction ("QT"). The Company has not commenced operations. Given the nature of the activities, no separate segmented information is reported. The Company is required to complete its QT on or before two years from the date the Company receives regulatory approval as a capital pool company. The Company trades on the TSX-V under the symbol "SPL.P".

The Company has not conducted commercial operations other than to enter into discussions for the purpose of identifying and evaluating potential acquisitions or interests. The Company will also be reviewing resource properties in a broad range of geographical areas.

LIQUIDITY AND RESOURCES

On March 31, 2017, the Company had cash of \$395,496 (December 31, 2016 - \$398,270) and working capital of \$379,240 (December 31, 2016 - \$387,647). Cash and working capital decreased primarily due to listing fees and stock compensation expenses.

QUARTERLY RESULTS

The following is a table of the eight most recently completed quarters ending March 31, 2017:

<i>Period:</i>	January 1 to March 31, 2017	October 1 to December 31, 2016	July 1 to September 30, 2016	April 1 to June 30, 2016
	\$	\$	\$	\$
Net (loss) for the period	(9,479)	(13,971)	(4,560)	(23,080)
Basic & diluted (loss) per share	(0.00)	(0.00)	(0.00)	(0.01)
Total Assets	398,556	400,483	411,147	411,104
Total Liabilities (all current and financial)	19,316	12,836	11,241	9,919

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the audited financial statements for the year ended December 31, 2016 and related notes thereto which have been prepared in accordance with International Financial Reporting Standards. All figures are in Canadian dollars unless otherwise specified

<i>Period:</i>	January 1 to March 31, 2016	October 1 to December 31, 2015	July 1 to September 30, 2015	From incorporation June 23 to June 30, 2015
	\$	\$	\$	\$
Net (loss) for the period	(6,226)	(24,608)	(6,955)	-
Basic & diluted (loss) per share	(0.01)	(0.01)	(0.00)	(0.00)
Total Assets	275,807	284,533	299,831	-
Total Liabilities (all current and financial)	13,596	16,096	6,786	-

For the quarter ended March 31, 2017, the net loss of \$9,479 (March 31, 2016 - \$6,226) was higher than the same period last year due to listing fees. Total assets of \$398,556 held at March 31, 2017 (December 31, 2016 - \$400,483) were lower due to administrative expenses.

SHAREHOLDERS' EQUITY

As at the date of this report, the Company had 8,000,001 common shares outstanding. For dilutive securities, the Company had 400,000 options and 200,000 warrants outstanding.

Share based compensation

As of March 31, 2017, the Company had the following options outstanding:

Number outstanding	Exercisable	Exercise Price per Share	Expiry Date
400,000	300,000	\$0.10	April 14, 2021

The options outstanding have a weighted average exercise price of \$0.10 and weighted average remaining life of 4.04 years.

Warrants

The Company issued 200,000 warrants to the agent upon completion of the initial public offering, with an exercise price of \$0.10 and expires on April 14, 2018. The warrants have a weighted average remaining life of 1.04 years.

Escrowed securities

As at the date of this report, included in share capital are 6,072,001 common shares held in escrow. These common shares will be fully released by April 13, 2019. These escrow shares may not be transferred, assigned or otherwise dealt with without the consent of the regulatory authorities.

REGULATORY DISCLOSURES

Financial instruments

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 – valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at March 31, 2017, the Company's financial instruments consist of cash and accounts payable. Their fair values approximate their carrying amounts due to the short-term nature of these instruments.

Credit risk

The Company's credit risk was primarily attributable to bank balances. The Company limits its credit exposure on cash held in bank accounts firstly by holding its key transactional bank accounts with banks of international financial institutions. Significant credit risk exposures to any single counterparty or group of counterparty having similar characteristics were as follows:

	March 31, 2017	December 31, 2016
Bank deposit: Scotiabank	\$ 395,496	\$ 398,270

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Company's maximum exposure to credit risk. The Company's credit risk is primarily attributable to its cash deposit. Cash is held with a reputable Canadian institution. Management believes the risk of loss to be minimal.

Liquidity risk

The Company manages liquidity risk by maintaining its cash balance to meet its short-term obligations. Contractual obligations as at March 31, 2017 were as follows:

	Total	< 1 year	1 – 2 years	2 – 3 years	Thereafter
Trade and other payables	\$ 19,316	\$ 19,316	-	-	-

Interest rate risks

The Company's interest rate risk arises primarily from the interest received on cash. No material risks identified.

Other risks

None of the Company's future cash flows of financial instruments are subject to change from other price changes and currency risks.

REGULATORY DISCLOSURES (Continued)

Capital Risk Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of equity comprised of issued share capital and deficit.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements as at March 31, 2017.

Estimates, risks and uncertainties

Critical accounting estimates and judgements

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and income and expenses.

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.

Estimates:

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. The most significant accounts that require estimates as the basis for determining the stated amounts include: impairment of mineral property; provision for environmental rehabilitation; inputs used in the valuation of share-based payments; and provision for deferred income tax.

Judgements:

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

Deferred income tax:

The assessment of the probability of future taxable income in which deferred tax assets can be utilized is based on the Company's estimates of future profits or losses adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. The tax rules in the jurisdictions in which the Company operates are also carefully taken into consideration. If a positive forecast of taxable income indicates the probable use of a deferred tax asset, especially when it can be utilized without a time limit, that deferred tax asset is usually recognized in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

REGULATORY DISCLOSURES (Continued)

Related party transactions:

There were no related party transactions during the three month period ended March 31, 2017 and March 31, 2016.

Off-balance sheet arrangement:

There are no off-balance sheet arrangements as at March 31, 2017.

Changes in accounting policies:

There are no changes to accounting policies for the reported periods.

Forward Looking Statements

This MD&A includes certain statements that constitute “forward-looking statements”, and “forward-looking information” within the meaning of applicable securities laws (“forward-looking statements” and “forward-looking information” are collectively referred to as “forward-looking statements”, unless otherwise stated). These statements appear in a number of places in this MD&A and include statements regarding our intent, or the beliefs or current expectations of our officers and directors. Such forward-looking statements involve known and unknown risks and uncertainties that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this MD&A, words such as “believe”, “anticipate”, “estimate”, “project”, “intend”, “expect”, “may”, “will”, “plan”, “should”, “would”, “contemplate”, “possible”, “attempts”, “seeks” and similar expressions are intended to identify these forward-looking statements. Forward-looking statements may relate to the Company’s future outlook and anticipated events or results and the Company’s future financial position, business strategy, budgets, litigation, projected costs, financial results, taxes, plans and objectives. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends affecting the financial condition of our business. These forward-looking statements were derived utilizing numerous assumptions regarding expected growth, results of operations, performance and business prospects and opportunities that could cause our actual results to differ materially from those in the forward-looking statements. While the Company considers these assumptions to be reasonable, based on information currently available, they may prove to be incorrect. Accordingly, you are cautioned not to put undue reliance on these forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results. To the extent any forward-looking statements constitute future-oriented financial information or financial outlooks, as those terms are defined under applicable Canadian securities laws, such statements are being provided to describe the current anticipated potential of the Company and readers are cautioned that these statements may not be appropriate for any other purpose, including investment decisions. Forward-looking statements are based on information available at the time those statements are made and/or management's good faith belief as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. To the extent any forward-looking statements constitute future-oriented financial information or financial outlooks, as those terms are defined under applicable Canadian securities laws, such statements are being provided to describe the current anticipated potential of the Company and readers are cautioned that these statements may not be appropriate for any other purpose, including investment decisions. Forward-looking statements speak only as of the date those statements are made. Except as required by applicable law, we assume no obligation to update or to publicly announce the results of any change to any forward-looking statement contained or incorporated by reference herein to reflect actual results, future events or developments, changes in assumptions or changes in other factors affecting the forward-looking statements. If we update any one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements. You should not place undue importance on forward-looking statements and should not rely upon these statements as of any other date. All forward-looking statements contained in this MD&A are expressly qualified in their entirety by this cautionary statement.