MANAGEMENT'S DISCUSSION AND ANALYSIS

CANOE MINING VENTURES CORP.

YEAR ENDED DECEMBER 31, 2016

(EXPRESSED IN CANADIAN DOLLARS)

Introduction

The following management discussion & analysis ("MD&A") of the financial condition and results of the operations of Canoe Mining Ventures Corp. ("Canoe" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended December 31, 2016. This MD&A was written to comply with the requirements of National Instruments 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited annual consolidated financial statements of the Company for the years ended December 31, 2016 and 2015, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's consolidated financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee. Information contained herein is presented as of March 31, 2017, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Canoe common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Information about the Company and its operations can be obtained from the offices of the Company or on the System for Electronic Documents Analysis and Retrieval ("SEDAR") and is available for review under the Company's profile on the SEDAR website (**www.sedar.com**).

Description of Business

The Company was incorporated under the Canada Business Corporations Act on June 10, 2011. The Company's shares are publicly traded on the TSX Venture Exchange ("TSXV") under the symbol CLV.

The Company's principal business is the acquisition, exploration and, if warranted, the development of mineral properties. The Company's exploration activities are focused on its gold property in Northern Ontario, Canada. Further details on the properties can be found in the Exploration and Evaluation Update section below.

Cautionary Note Regarding Forward-Looking Information

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-looking statements	Assumptions	Risk factors
The Company will be able to continue its business activities.	The Company has anticipated all material costs and the operating activities of the Company, and such costs and activities will be consistent with the Company's current expectations; the Company will be able to obtain equity funding when required.	Unforeseen costs to the Company will arise; any particular operating cost increase or decrease from the date of the estimation; and capital markets not being favourable for funding resulting in the Company not being able to obtain financing when required or on acceptable terms.
The Company will be able to carry out anticipated business plans.	The operating activities of the Company for the twelve months ending December 31, 2017, will be consistent with the Company's current expectations.	Sufficient funds not being available; increases in costs; the Company may be unable to retain key personnel.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors referenced in the "Risk Factors" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Financial and Operating Highlights

During the three months ended March 31, 2016, 250,000 stock options with an exercise price of $0.25 were forfeited.

On March 28, 2016, 630,000 warrants with an exercise price of $0.60 expired unexercised.

On April 1, 2016, 120,000 warrants with an exercise price of $0.60 expired unexercised.

On April 6, 2016, the Company and Wesdome Gold Mines Ltd. ("Wesdome") announced that they had entered into a definitive agreement (the "Purchase Agreement") whereby Wesdome had agreed to purchase from the Company, a 100% interest in the North Coldstream Property ("Coldstream") and the Hamlin-Deaty Creek Property ("Hamlin") (collectively, the "Properties").

Pursuant to the terms and conditions of the Purchase Agreement, on June 29, 2016 Wesdome acquired the Properties from the Company free from all liens, mortgages, charges, pledges, encumbrances or other burdens with all rights now or thereafter attached thereto (other than with respect to any royalties

set forth in the Purchase Agreement). As consideration for the Properties, Wesdome paid or issued (as applicable) to the Company the following at the closing of the acquisition:

(a) with respect to the purchase of the Coldstream portion of the Properties:

(i) an aggregate of $400,000 cash (received); and

(ii) 454,545 fully paid and non-assessable common shares in the capital of Wesdome (received); and

(b) with respect to the purchase of the Hamlin portion of the Properties, an aggregate of $100,000 cash (received), and settled the residual balance of the Company's debenture as well as certain accounts payable balances. In connection with the disposition of this and the Coldstream Property, the Company recognized a gain of $310,605 on consolidated statement of (income) loss and comprehensive (income) loss.

In addition, the Company fully settled the outstanding balance of the debenture upon closing of the Wesdome transaction.

On June 24, 2016, the Company granted a total of 1,850,000 options to directors, officers and consultants of the Company. In accordance with the Company's stock option plan, the granted options are exercisable at $0.05 per share, have a term of five years, and vest immediately.

On June 27, 2016, the Company announced the appointment of Mr. Robert Suttie as Chief Financial Officer of the Company.

On June 27, 2016, the Company announced that Mr. Jean-Francois Pelland resigned as Independent Director.

On September 21, 2016, Duane Parnham, the Chief Executive Officer of the Company, acquired ownership of 2,910,000 common shares of the Company at a price of $0.03 per share for total consideration of $87,300 from one counterparty in a private secondary market transaction.

On October 22, 2016, 433,333 warrants with an exercise price of $0.25 expired unexercised.

During the year ended December 31, 2016, the Company recorded a write-off of accounts payable of $59,435 in the consolidated statements of (income) loss and comprehensive (income) loss which was related to settlement and write-down of some accounts payable.

On March 9, 2017, Canoe entered into a debt settlement agreement with a third party to settle a $6,700 balance payable for a cash payment of $3,250.

Mineral Exploration Properties

The Company's exploration strategy is to acquire mineral resources properties and then conduct a strategic, focused and geological, geochemical, and geophysical exploration program over that land package.

The Company is reviewing numerous opportunities for acquisition of new projects.

Kerrs Gold Property, Ontario

The Company holds a 100% interest in the Kerrs Gold Property which consists of 10 mining claims and 12 mining leasehold patents located in the Larder Lake Mining Division of Ontario. The property is located

within a favorable gold exploration environment and in close proximity to other major exploration companies such as Goldcorp holding ground immediately adjacent to Kerrs Gold Property.

A National Instrument 43-101 was carried out in 2011 by Kirkham Geosystems of Burnaby BC.

The Company is currently reviewing geological information as a desktop regional exploration study and will spend a minimal budget at this time to explore the property. The Company is also review joint venture opportunities to allow others to explore the project on our behalf.

Trends

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. During the year ended December 31, 2016, equity markets in Canada showed signs of improvement, with equities increasing significantly during this period. Strong equity markets are favourable conditions for completing a public merger, financing or acquisition transaction. Apart from these and the risk factors noted under the heading "Risk Factors", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations. See "Risk Factors" below.

Related Party Transactions

Remuneration of directors and key management personnel of the Company was as follows:

Payments to key management personnel	Year Ended December 31, 2016 ($)	Year Ended December 31, 2015 ($)
Consulting	60,000	8,860
Payments with common share for accrued fees	nil	35,000
Stock-based compensation (i)	46,410	nil

(i) Stock-based compensation

Several variables are used when determining the value of stock options using the Black-Scholes option pricing model:

- The expected term: the Company used the expected terms of five years, which is the maximum term ascribed to the stock options issued, for the purposes of calculating their value. The Company chose the maximum term because it is difficult to determine with any reasonable degree of accuracy when these stock options will be exercised.
- Volatility: the Company used historical information on the market price of its common shares to determine the degree of volatility at the date the stock options were granted. Therefore, depending on when the stock options are granted and the period of historical information examined, the degree of volatility can be different when calculating the value of different stock options.
- Risk-free interest rate: the Company used the interest rate available for government securities of an equivalent expected term at the date of the grant of the stock options. The risk-free interest rate will vary depending on the date of the grant of the stock options and their expected term.

- Dividend yield: the Company has not paid dividends in the past because it is in the exploration stage and has not yet earned any significant income. Also, the Company does not expect to pay dividends in the foreseeable future because it does not expect to bring its mineral property into production and earn significant revenue any time soon. Therefore, a dividend rate of 0% was used for the purposes of the valuation of the stock options.

As at December 31, 2016, the Company owed $76,230 (December 31, 2015 - $106,310) to current and former officers and directors of the Company and was included in amounts due to related parties.

The Company currently shares office rent and has certain common officers and directors with Giyani Gold Corp., the Company's largest shareholder. As at December 31, 2016, the Company owed $84,486 (December 31, 2015 - $92,984) as presented in the consolidated statement of financial position as amounts due to related parties.

During the year ended December 31, 2016, the Company incurred legal fees of $20,136 (year ended December 31, 2015 - $15,751) with a legal firm where a partner is a former director of the Company. As at December 31, 2016, $nil (December 31, 2015 - $104,970) was included in amounts due to related parties with respect to these fees and certain expenses paid on the Company's behalf.

On June 27, 2016, the Company entered into an accounting support services agreement with Marrelli Support Services Inc. ("Marrelli Support") wherein Marrelli Support provided, beginning June 27, 2016, certain accounting support services to the Company. On June 27, 2016, in connection with such agreement with Marrelli Support, the Company retained Mr. Robert Suttie, Vice President of Marrelli Support, as its Chief Financial Officer. During the year ended December 31, 2016, the Company paid professional fees of $15,527 (year ended December 31, 2015 - $nil) to Marrelli Support. These services were incurred in the normal course of operations for general accounting and financial reporting matters. Marrelli Support also provides bookkeeping services to the Company. As at December 31, 2016, Marrelli Support was owed $9,905 (December 31, 2015 - $nil) with respect to services provided. The balance owed was recorded in the consolidated statement of financial position as amount due to related parties.

The Company is party to a corporate secretarial support services agreement with DSA Corporate Services Inc. ("DSA"). DSA is affiliated with Marrelli Support through a common officer. During the year ended December 31, 2016, the Company paid professional fees of $6,734 (year ended December 31, 2015 - $nil) to DSA. These services were incurred in the normal course of operations for corporate secretarial matters. As at December 31, 2016, DSA was owed $1,151 (December 31, 2015 - $nil) with respect to services provided. The balance owed was recorded in the consolidated statement of financial position as amount due to related parties.

During the year ended December 31, 2015, the Company issued 700,000 shares at a deemed price of $0.05 per share for total debt settlement of $35,000 with related parties.

Selected Annual Financial Information

The following is selected financial data derived from the audited consolidated financial statements of the Company at December 31, 2016, 2015 and 2014 and for the years ended December 31, 2016, 2015 and 2014.

	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014
Total revenues	$nil	$nil	$nil
Net (income) loss [(1)(2)]	$(202,041)	$3,528,927	$1,649,871
Net (income) loss per share – basic [(3)(4)]	$(0.00)	$0.07	$0.04
Net (income) loss per share – diluted [(3)(4)]	$(0.00)	$0.07	$0.04
	As at December 31, 2016	**As at December 31, 2015**	**As at December 31, 2014**
Total assets	$948,072	$1,415,810	$4,486,565
Total non-current financial liabilities	nil	nil	nil
Distribution or cash dividends	nil	nil	nil

(1) Income (loss) from continuing operations attributable to owners of the parent, in total;
(2) Income (loss) attributable to owners of the parent, in total;
(3) Income (loss) attributable to owners of the parent, on a per-share and diluted per-share basis; and declared per-share for each class of share; and
(4) Income (loss) from continuing operations attributable to owners of the parent, on a per-share and diluted per share basis.

- The net income for the year ended December 31, 2016, consisted primarily of (i) gain on disposition of exploration and evaluation assets of $310,605; (ii) realized gain on sale of marketable securities of $286,878; (iii) change in fair value of marketable securities of $22,000 and (iv) write-off of accounts payable of $59,435. This was offset by (i) management and consulting fees of $95,030; (ii) professional fees of $73,693; (iii) office and rent and other of $89,404, (iv) stock-based compensation of $50,505, and (v) write-down of exploration and evaluation assets of $121,154.

- The net loss for the year ended December 31, 2015, consisted primarily of (i) management and consulting fees of $233,583; (ii) professional fees of $93,905; (iii) office and rent and other of $107,644, and (iv) write-down of exploration and evaluation assets of $3,063,916. This was offset by gain on debt of settlement of $20,833.

- The net loss for the year ended December 31, 2014, consisted primarily of (i) management and consulting fees of $261,286; (ii) professional fees of $83,925; (iii) office and rent and other of $112,671, (iv) stock-based compensation of $320,533; and (iv) write-down of exploration and evaluation assets of $1,136,914. This was offset by recovery on settlement of accounts payable of $47,537 and other income on settlement of flow-through share premium liability of $127,000.

As the Company has no revenues, its ability to fund its operations is dependent upon securing financing. See "Trends" and "Risk Factors".

Selected Quarterly Information

A summary of selected information for each of the eight most recent quarters prepared in accordance with IFRS is as follows:

Three Months Ended	Net Revenues ($)	Profit or (Loss)	
		Total (11)(12) ($)	Per Share (9)(10)(11)(12) ($)
2016-December 31	-	(270,964) (1)	(0.01)
2016-September 30	-	255,478 (2)	0.01
2016-June 30	-	320,587 (3)	0.01
2016-March 31	-	(103,060) (4)	(0.00)
2015-December 31	-	(2,369,074) (5)	(0.05)
2015-September 30	-	(124,808) (6)	(0.00)
2015-June 30	-	(909,078) (7)	(0.02)
2015-March 31	-	(125,967) (8)	(0.00)

Notes:

(1) Net loss of $270,964 consisted of $18,165 of management and consulting, $17,886 of professional fees, $23,547 of office and rent and other fees, $8,500 of general exploration, $6,457 of transfer agent, filing fees, $1,254 of travel fees, write-down of exploration and evaluation assets of $105,491 and change in marketable securities of $149,099. These amounts were offset write-off of accounts payable of $59,435.

(2) Net income of $255,478 consisted of $21,795 of management and consulting, $7,173 of professional fees, $34,225 of office and rent and other fees, $699 of general exploration, $5,375 of transfer agent and filing fees and $146 of travel fees. These amounts were offset by change in value of marketable securities of $307,977 and write-up of exploration and evaluation assets of $16,914.

(3) Net income of $320,587 consisted of $16,272 of management and consulting, $20,272 of professional fees, $5,029 of office and rent and other fees, $2,890 of general exploration, $50,505 of stock-based compensation, $12,333 of transfer agent and filing fees, $140 of travel fees and $32,577 of write-down of exploration and evaluation assets. These amounts were offset by gain on disposition of exploration and evaluation assets of $310,605 and gain on marketable securities of $150,000.

(4) Net loss of $103,060 consisted of $38,798 of management and consulting, $28,362 of professional fees, $26,603 of office and rent and other fees, $6,000 of transfer agent and filing fees and $3,297 of travel fees.

(5) Net loss of $2,369,074 consisted of $39,438 of management and consulting, $26,990 of professional fees, $28,727 of office and rent and other fees, $482 of transfer agent and filing fees, $4,919 of travel fees and write-down of exploration and evaluation assets of $2,289,351. These amounts were offset by gain on debt settlement of $20,833.

(6) Net loss of $124,808 consisted of $73,490 of management and consulting, $17,613 of professional fees, $21,257 of office and rent and other fees, $12,169 of transfer agent and filing fees and $279 of travel fees.

(7) Net loss of $909,078 consisted of $58,926 of management and consulting, $25,954 of professional fees, $28,370 of office and rent and other fees, $1,591 of general exploration, $18,383 of transfer agent and filing fees, $1,289 of travel fees and $774,565 of write-down of exploration and evaluation assets.

(8) Net loss of $125,967 consisted of $61,729 of management and consulting, $23,348 of professional fees, $29,291 of office and rent and other fees, $7,335 of transfer agent and filing fees and $4,264 of travel fees.

(9) Basic and diluted per share basis.

(10) Per share amounts are rounded to the nearest cent, therefore aggregating quarterly amounts may not reconcile to year-to-date per share amounts.

(11) (Loss) income attributable to owners of the parent, on a per-share and diluted per-share basis; and declared per-share for each class of share; and

(12) (Loss) income from continuing operations attributable to owners of the parent, on a per-share and diluted per share basis.

Results of Operations

Year ended December 31, 2016, compared with year ended December 31, 2015

Canoe's net income totalled $202,041 for the year ended December 31, 2016, with basic and diluted income per share of $0.00. This compares with a net loss of $3,528,927 for the year ended December 31, 2015, with basic and diluted loss per share of $0.07. The increase of $3,730,968 in net income was principally due to:

- Management and consulting fees decreased to $95,030 for the year ended December 31, 2016 compared with $233,583 for the same period in 2015. The decrease was primarily due to the Company working to manage recurring compensation costs in light of current economic conditions.

- Professional fees decreased to $73,693 for the year ended December 31, 2016 compared with $93,905 for the same period in 2015. The decrease was primarily due to lower support costs for the Company's operations.

- Stock-based compensation increased to $50,505 for the year ended December 31, 2016 compared to $nil for the same period in 2015. The increase was due to the issuance of 1,850,000 stock options in the current year compared to nil in 2015. The Company expenses its stock options in accordance with the vesting terms of the stock options granted.

- Gain on disposition of exploration and evaluation assets increased to $310,605 for the year ended December 31, 2016 compared to $nil for the same period in 2015. The increase was due to the sale of two properties at consideration in excess of the carried cost.

- Gain on debt settlement decrease to $nil for the year ended December 31, 2016 compared to $20,833 for the same period in 2015. The decrease is relating to shares issued in 2015 to debt settlement. No shares were issued in 2016 for debt settlement.

- Unrealized gain on marketable securities increased to $22,000 for the year ended December 31, 2016 compared to $nil for the same period in 2015. The increase was due to the change in fair market value of Wesdome common shares which were not held in the comparative period.

- Realized gain on marketable securities increased to $286,878 for the year ended December 31, 2016 compared to $nil for the same period in 2015. The increase was due to the sale of 404,545 Wesdome common shares.

- Write-down of exploration and evaluation assets decreased to $121,154 for the year ended December 31, 2016 compared with $3,063,916 for the same period in 2015. The decrease was primarily due to the write-down of the Abbie Lake Property, Hamlin-Deaty Creek Property and the Coldstream Property in 2015.

- Write-off of accounts payable increased to $59,435 for the year ended December 31, 2016 compared with $nil for the same period in 2015. The increase was due to settlement of accounts in favour of the Company.

- All other expenses related to general working capital.

Three months ended December 31, 2016, compared with three months ended December 31, 2015

Canoe's net loss totalled $270,964 for the three months ended December 31, 2016, with basic and diluted income per share of $0.01. This compares with a net loss of $2,369,074 for the three months ended December 31, 2015, with basic and diluted loss per share of $0.05. The decrease of $2,098,110 in net loss was principally due to:

- Management and consulting decreased to $18,165 for the three months ended December 31, 2016 compared with $39,438 for the same period in 2015. The decrease was primarily due to the Company working to manage recurring compensation costs in light of current economic conditions.

- Professional fees decreased to $17,886 for the three months ended December 31, 2016 compared with $26,990 for the same period in 2015. The decrease was primarily due to lower support costs for the Company's operations.

- Unrealized gain on marketable securities increased to $29,144 for the three months ended December 31, 2016 compared to $nil for the same period in 2015. The increase was due to the change in fair market value of Wesdome common shares which were not held in the comparative period.

- Realized gain on marketable securities increased to $236,901 for the three months ended December 31, 2016 compared to $nil for the same period in 2015. The increase was due to the sale of 350,000 Wesdome common shares.

- Gain on debt settlement decrease to $nil for the three months ended December 31, 2016 compared to $20,833 for the same period in 2015. The decrease is relating to shares issued in 2015 to debt settlement. No shares were issued in 2016 for debt settlement.

- Write-down of exploration and evaluation assets decreased to $105,491 for the three months ended December 31, 2016 compared with $2,289,351 for the same period in 2015. The decrease was primarily due to the write-down of the Abbie Lake Property, Hamlin-Deaty Creek Property and the Coldstream Property in 2015.

- Write-off of accounts payable increased to $59,435 for the three months ended December 31, 2016 compared with $nil for the same period in 2015. The increase was due to settlement of accounts in favour of the Company.

- All other expenses related to general working capital.

As at December 31, 2016, the Company had assets of $948,072 (December 31, 2015 - $1,415,810) against total liabilities of $636,993 (December 31, 2015 - $1,357,277). The decrease in total assets of $467,738 resulted from cash used in operating expenditures which was offset by cash received from sale of properties and the proceeds from sale of Wesdome shares. The Company has sufficient current assets to pay its existing liabilities of $636,993 at December 31, 2016.

Liquidity and Financial Position

The Company is subject to the risks and challenges experienced by other companies at a comparable stage. These risks include, but are not limited to, continuing losses, dependence on key individuals and the ability to secure adequate financing or to complete corporate transactions to meet the minimum capital required to successfully explore and develop its projects and fund other operating expenses. Advancing the Company's projects through exploration and development to the production stage will require significant financings. Given the current economic climate, the ability to raise funds may prove difficult.

None of the Company's projects have commenced commercial production and accordingly, the Company is dependent upon debt and/or equity financings and the optioning and/or sale of resource or resource-related assets for its funding. The recoverability of the carrying value of exploration and evaluation projects, and ultimately the Company's ability to continue as a going concern, is dependent upon exploration results which indicate the potential for the discovery of economically recoverable reserves and resources, and the Company's ability to finance exploration of its projects through debt and/or equity financings and the optioning and/or sale of resource or resource-related assets such as royalty interests for its funding.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the TSXV which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of December 31, 2016, the Company is compliant with TSXV Policy 2.5.

During fiscal 2017, the Company's corporate head office costs are estimated to average less than $110,000 per quarter. Head office costs include management and consulting, professional fees, office and rent and other fees, transfer agent and filing fees and travel expenses.

The Company's cash at December 31, 2016 are not sufficient to fund its liabilities of $636,993 and the estimated remaining operating expenses of $300,000 ($75,000 per quarter), for fiscal 2017. The Company will have to raise equity capital in amounts sufficient to fund working capital requirements. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or under terms favourable to the Company. See "Risk Factors" below and "Cautionary Note Regarding Forward-Looking Information" above.

While the Company cannot provide any assurances that it will be successful in securing equity financings in order to conduct its operations uninterruptedly, it is the Company's intention to obtain the required funding.

At December 31, 2016, the Company had cash of $838,809. The increase in cash of $838,588 from the December 31, 2015 cash balance of $221 was as a result of cash outflows in operating activities of $550,718. Operating activities were affected by adjustments of accrued interest expense of $2,900, share-based compensation of $50,505, gain on disposition of exploration and evaluation assets of $310,605, gain on sale of marketable securities of $286,878, change in value of marketable securities of $22,000, write-down of exploration and evaluation assets of $121,154, write-off of accounts payable of $59,435 and net change in non-cash working capital balances of $248,400 because of a decrease in prepaid expenses of $32,497, a decrease in accounts payable and accrued liabilities of $107,736 and a decrease in due to related parties of $173,161.

Cash provided by investing activity was $1,389,306 for the year ended December 31, 2016. This related to the repayment of a debenture in the amount of $150,000 which was offset by proceeds from the sale of

exploration and evaluation assets for $500,000 and proceeds from sale of marketable securities for $954,377.

Proposed Transactions

There are no proposed transactions of a material nature being considered by the Company. However, Management is continuing to actively pursue strategies to realize on the potential of its assets or secure additional financings in order to fund its operations.

New Standards Not Yet Adopted

(i) IFRS 9 – Financial Instruments ("IFRS 9") was updated by the IASB in November 2009 and will replace part of IAS 39 - Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 addresses the classification and measurement of financial assets. The two measurement categories for financial assets include amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is recorded at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is recorded at fair value through profit or loss.

Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The Company is in the process of assessing the impact of this pronouncement.

(ii) IFRS 16 - Leases ("IFRS 16") was issued on January 13, 2016 to require lessees to recognize assets and liabilities for most leases. For lessors, there is little change to the existing accounting in IAS 17 - Leases.

The IASB issued its standard as part of a joint project with the Financial Accounting Standards Board ("FASB"). The FASB has not yet issued its new standard, but it is also expected to require lessees to recognize most leases on their statement of financial position.

The new standard will be effective for annual periods beginning on or after January 1, 2019. Early application is permitted, provided the new revenue standard, IFRS 15 - Revenue from Contracts with Customers, has been applied, or is applied at the same date as IFRS 16.

Outlook

The Company is reviewing numerous opportunities for acquisition of new projects. The Company will require additional sources of liquidity. There is no guarantee that the Company will be successful in this regard or on terms that are acceptable to the Company (see "Risk Factors"). The Company is undertaking a review of possible business opportunities.

Environmental Contingency

The Company's mining and exploration activities are subject to various government laws and regulations relating to the protection of the environment. These environmental regulations are continually changing and generally becoming more restrictive. As of the date of this MD&A, the Company does not believe that there are any significant environmental obligations requiring material capital outlays in the immediate future.

Off-Balance-Sheet Arrangements

As of the date of this MD&A, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity, capital expenditures and capital resources that would be material to investors.

Share Capital

As of the date of this MD&A, the Company had 49,541,237 issued and outstanding common shares, an aggregate of 3,225,000 options outstanding, each entitling the holder to acquire one common share, and an aggregate of 579,982 warrants outstanding, each entitling the holder to acquire one common share. Therefore, the Corporation had 53,346,219 common shares on a fully diluted basis.

Financial Instruments

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quotes 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).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Values

The carrying value of cash, amounts receivable, marketable securities, accounts payable and accrued liabilities, promissory note, debenture and amounts due to related parties approximate their fair values due to the expected short-term maturity of these financial instruments.

Financial Risk Factors

The Company's risk exposure and the impact on the financial instruments are summarized below:

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet contractual obligations. The Company's exposure to the credit risk includes cash and accounts receivable.

The Company reduces its risk by maintaining its bank accounts at a large Canadian financial institutions.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet its liabilities when they come due. The Company manages its liquidity risk by forecasting cash flows required by operations and to anticipate investing and financing activities. The

Company's financial obligations currently consist of accounts payable and accrued liabilities, promissory note, debenture and amounts due to related parties. Any amounts required for property acquisitions will be funded from a combination of existing cash balances and new financings where necessary. The carrying value of the accounts payable and accrued liabilities, promissory note, debenture and amounts due to related parties approximates fair value as they are short term in nature.

The Company had cash at December 31, 2016 of $838,809 (2015 - $221). At December 31, 2016, the Company had accounts payable and accrued liabilities of $433,628 (2015 - $567,490) as well as a promissory note of $68,762 (2015 - $65,862) and debenture of $nil (2015 - $416,161) which are currently due. As at December 31, 2016, the Company had a working capital of $311,079. Management continues to evaluate financing alternatives to secure capital.

Market risk

The Company is exposed to price risk with respect to equity prices and commodity prices. Equity price risk is defined as the potential adverse impact on the Company's loss due to movements in individual equity prices or general movements in the level of stock market. Commodity price risk is defined as the potential adverse impact and economic value due to commodity price movements and volatilities.

The Company's marketable securities are denominated in Canadian dollars and are subject to fair value fluctuations. As at December 31, 2016, if the fair value of the Company's marketable securities had increased/decreased by 10% with all other variables held constant, profit and loss for the year ended December 31, 2016, would have been approximately $10,000 lower/higher. Similarly, as at December 31, 2016, the Company's reported shareholders' equity would have been approximately $10,000 higher/lower as a result of a 10% increase/decrease in marketable securities.

Capital Management

The Company manages its capital with the following objectives:

- To ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- To maximize shareholder return by enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to be equity, comprising share capital, contributed surplus, warrants and deficit which was $311,079 at December 31, 2016 (2015 - $58,533). The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its mineral properties. Information is provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the year ended December 31, 2016. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the TSXV which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of December 31, 2016, the Company is compliant with Policy 2.5.

Disclosure of Internal Controls

Management has established processes to provide it with sufficient knowledge to support representations that it has exercised reasonable diligence to ensure that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements, and (ii) the consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the years presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Risk Factors

An investment in the Company involves a number of risks. You should carefully consider the following risks and uncertainties in addition to other information in this interim report in evaluating the Company and its business before making any investment decision in regards to the common shares of the Company.

The Company's business, operating and financial condition could be harmed due to any of the following risks. The risks described below are not the only ones facing the Company. Additional risks not presently identified may also impair business operations.

Global Financial and Economic Conditions

Current global financial and economic conditions, remain extremely volatile. Access to public and private capital and financing continues to be negatively impacted by many factors as a result of the general downturn in the global commodity and precious metals market. Such factors may impact the Company's ability to obtain financing in the future on favourable terms or obtain any financing at all. Additionally, global economic conditions may cause a long term decrease in asset values. If such global volatility,

market turmoil and the global recession continue, the Company's operations and financial condition could continue to be adversely impacted.

Exploration and Development Risks

The Company's activities will be directed towards the exploration and development of the Company's property (the "Canoe Property").

Resource exploration and mineral development is a highly speculative and extremely volatile business. The Company's exploration and initial development activities involve significant risks that cannot be eliminated or adequately mitigated, even with careful and prudent planning and evaluation, experience, knowledge and operational know-how. Few properties which are explored are ultimately developed into producing mines. Exploration for gold involves many risks and uncertainties and success in exploration is dependent on a number of factors, including the quality of management, quality and availability of geological expertise and the availability of exploration capital. Substantial expenditures are required to (i) establish Mineral Resources and Mineral Reserves, (ii) complete drilling and to develop metallurgical processes to extract the minerals, (iii) develop mining and processing facilities and suitable infrastructure at any site chosen for mining, and (iv) establish commercial operations. Also, substantial expenses may be incurred on exploration projects which are subsequently abandoned due to poor exploration results or the inability to define reserves which can be mined economically.

Even if an exploration program is successful and economically recoverable gold is found, it can take a number of years from the initial phases of drilling and identification of the mineralization until production is possible, during which time the economic feasibility of extraction may change and gold that was economically recoverable at the time of discovery ceases to be economically recoverable. There can be no assurance that gold recovered in small scale tests will be duplicated in large scale tests under on-site conditions or in production scale operations. The Company cannot ensure or provide any comfort that the exploration or development programs planned by the Company will result in a profitable commercial mining operation in respect of the Canoe Property.

The commercial viability of the Canoe Property depends upon a number of factors, all of which are beyond the control of the Company, including: the particular attributes of a deposit, such as size, grade and proximity to infrastructure, market fluctuations in the price of gold, general and local labour market conditions, the proximity and capacity of milling facilities, and local, provincial, federal and international government regulation, including regulations relating to prices, taxes, royalties, land tenure, land use, and the importing and exporting of gold and environmental protection. The effect of these factors, either alone or in combination, cannot be accurately predicted and their impact may result in the Company not being able to economically extract gold from any identified Mineral Resource or Mineral Reserve which, in turn, could have a material and adverse impact on the Company's cash flows, earnings, results of operations and financial condition and prospects. The Company cannot provide any certainty that its planned expenditures will result in the successful operation of the Canoe Property.

Estimates of reserves, deposits and production costs can also be affected by such factors as environmental permitting, social activism, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the quantity or grade of gold ultimately extracted may differ from the quantity or grade indicated by drilling results. Short term factors relating to reserves, such as the need for orderly development or the processing of new or different grades, may also have an adverse effect on mining operations and on results from operations. Any material changes in reserves, grades, stripping ratios or recovery rates may affect the economic viability of the Canoe Property, and as such, the viability of the Company may be negatively affected.

Aboriginal Claims

Aboriginal peoples have claimed aboriginal title and rights to portions of eastern Canada, including Ontario. The Company is not aware that any claims have been made in respect of its property and assets; however, if a claim arose and was successful this could have an adverse effect on the Company and its operations.

Seasonality

The level of activity in the North American mining industry is influenced by seasonal weather patterns. Wet weather and spring thaw may make the ground unstable. Consequently, municipalities and state/provincial transportation departments enforce road bans that restrict the movement of rigs and other heavy equipment, thereby reducing activity levels. Also, certain mineral producing areas are located in areas that are inaccessible other than during the summer months because the ground surrounding the sites in these areas consists of swampy terrain. Seasonal factors and unexpected weather patterns may lead to declines in exploration and production.

No Mineral Reserves/Mineral Resources

All of the properties in which the Company currently holds an interest are considered to be in the exploration stage only and do not contain a known body of commercial minerals. The Company has no proved reserves. The Company has identified prospects based on available geological information that indicates the potential presence of minerals. However, the areas the Company decides to mine may not yield minerals in commercial quantities or quality, or at all. Most of the Company's current prospects are in various stages of evaluation that will require substantial drill-hole data interpretation. Even when properly used and interpreted, drill hole data analysis techniques are only tools used to assist geoscientists in identifying subsurface structures and mineral indicators and do not enable the interpreter to know whether minerals are, in fact, present in those structures. The Company does not know if any of its prospects will contain minerals in sufficient quantities or quality to recover exploration costs or to be economically viable. Even if minerals are found on the Company's prospects in commercial quantities, construction costs of infrastructure and transportation costs may prevent the prospects from being economically viable. If a significant number of the Company's prospects do not prove to be commercially viable, the Company will be materially adversely affected.

Reliance on Historical Data

An extensive amount of historical data and records on the Iron Lake Gold Project was available to the Company and was reviewed by J. Garry Clark, P. Geo., in connection with the preparation of the Technical Report. However, the Company cannot provide any comfort that it can rely upon, verify or necessarily authenticate such historical information in connection with its exploitation of the Abbie Lake-Keating Property. The Company cannot guarantee that the historical records that are available to it are free from material errors or inaccuracies.

Similarly, historical data and records on the Coldstream Property was used and reviewed by Coast Mountain Geological Ltd., in connection with the preparation of compiled technical data. However, the Company cannot provide any comfort that it can rely upon, verify or necessarily authenticate such historical information in connection with its exploitation of the Coldstream Property. The Company cannot guarantee that the historical records that are available to it are free from material errors or inaccuracies.

Title to Canoe Property

Although the Company has taken reasonable measures to ensure proper title to the properties within the Canoe Property, there is no guarantee that title to the properties within the Canoe Property will not be challenged or impugned. Third parties may have valid claims underlying portions or all of the Company's interest.

Risks Associated with Market Fluctuations

The market price for gold is volatile and is influenced by a number of factors, including, among others, political stability, general economic conditions, mine production and the intent of foreign governments who own significant above-ground reserves, central bank lending, sales and purchases of gold, producer hedging activities, expectations of inflation, the level of demand for gold as an investment, speculative trading, the relative exchange rate of the U.S. dollar with other major currencies, interest rates, global and regional demand, political and economic conditions and uncertainties, industrial and jewellery demand, production costs in major gold producing regions and worldwide production levels. The aggregate of such factors (all of which are beyond the control of the Company) is impossible to predict with accuracy, and as such, the Company can provide no assurances that it can effectively manage such factors. In addition, the price of gold has on occasion been subject to very rapid short-term changes because of speculative activities. Fluctuations in gold prices may materially adversely affect the Company's financial performance or results of operations. The world market price of gold has fluctuated during the last several years. If the market price of gold falls significantly from its current levels, the development of the Company's Properties may be rendered uneconomic and such development may be suspended or delayed.

No Anticipated Dividends

The Company does not expect to pay dividends on its issued and outstanding Company shares in the foreseeable future. If the Company generates any future earnings such cash resources will be retained to finance further growth and current operations. The board of directors of the Company will determine if and when dividends should be declared and paid in the future based on the financial position of the Company and other factors relevant at the particular time. Until the Company pays dividends, which it may never do, a shareholder will not be able to receive a return on his or her investment in the Company shares unless such Company shares are sold. In such event, a shareholder may only be able to sell his, her or its Company shares at a price less than the price such shareholder originally paid for them, which could result in a significant loss of such shareholder's investment.

Significant Future Capital Requirements, Future Financing Risk and Dilution

No assurances can be provided that the Company's financial resources will be sufficient for its future needs. The Company does not currently generate revenues from operations. As such, the Company will be required to undertake future financings which may be in the form of a sale of equity, debt secured by assets or forward purchase payments. No assurances can be made that the Company will be able to complete any of these financing arrangements or that the Company will be able to obtain the capital that it requires. In addition, the Company cannot provide any assurances that any future financings will be obtained on terms that are commercially favourable to the Company.

Any such sale of Company shares or other securities will lead to further dilution of the equity ownership of existing shareholders. Additionally, options and warrants or other conversion rights issued or granted by the Company may adversely affect future equity offerings, and the exercise of those options and warrants may have an adverse effect on the value of the Company shares. If any such options, warrants or conversion rights are exercised at a price below the then current market price, then (i) the market price of

the Company shares could decrease, and (ii) shareholders may experience dilution of his or her investment. The issuance of Company shares in the future will result in a reduction of the book value and market price of the then outstanding Company shares. If any such additional Company shares are issued such issuances will result in a reduction in the proportionate ownership and voting power of all current shareholders. Further, such issuance may result in a change of control of the Company.

A prolonged decline in the price of the Company shares could result in a reduction in the liquidity of the Company shares and a reduction in the Company's ability to raise capital. As a significant portion of the Company's operations will probably be financed through the sale of equity securities a decline in the price of the Company shares could be especially detrimental to liquidity.

Share Price Volatility

The market price for the Company shares cannot be assured. Securities markets have recently experienced an extreme level of price and volume volatility, and the market price of securities of many companies has experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies.

The trading price of the Company shares has been, and the trading price of the Company shares may continue to be, subject to large fluctuations. For the same reason, the value of any of the Company's securities convertible into, or exchangeable for, Company shares may also fluctuate significantly, which may result in losses to investors. The trading price of the Company shares and, if applicable, any securities exercisable for, convertible into, or exchangeable for, Company shares may increase or decrease in response to a number of events and factors, both known and unknown. In addition, the market price of the Company shares will be affected by many variables not directly related to the Company's success and will therefore not be within the Company's control, including other developments that affect the market for all resource sector securities, the breadth of the public market for the common shares, and the attractiveness of alternative investments. The effect of these and other factors on the market price of the Company shares on the stock exchanges on which the Company shares trade has historically made the Canoe share price volatile and suggests that the Company's share price will continue to be volatile in the future.

In the past, following periods of volatility in the market price of a company's securities, shareholders have instituted class action securities litigation against those companies. Such litigation, if instituted, could result in substantial costs and diversion of management attention and resources, which could significantly harm the Company's profitability and reputation.

The market price for the Company shares may also be affected by the Company's ability to meet or exceed expectations of analysts or investors. Any failure to meet these expectations, even if minor, may have a material adverse effect on the market price of the Company shares.

Significant Governmental Regulations

The Company's planned exploration activities are subject to extensive federal, provincial, local and foreign laws and regulations governing environmental protection, natural resources, prospecting, development, production, post-closure reclamation, taxes, labour standards and occupational health and safety laws and regulations including mine safety, toxic substances and other matters related to the mining business. The costs associated with compliance with such laws and regulations are substantial. Possible future laws and regulations, or more restrictive interpretations of current laws and regulations by governmental authorities could cause additional expense, capital expenditures, restrictions on or suspensions of the Company's operations and delays in the development of the Company's Properties.

Moreover, governmental authorities and private parties may bring lawsuits based upon damage to property and injury to persons resulting from the environmental, health and safety impacts of the Company's future operations, which could lead to the imposition of substantial fines, penalties and other civil and criminal sanctions. Substantial costs and liabilities, including bonding, reclamation funding, or other requirements for restoring the environment after the closure of mines, will be inherent in the development of the Company's Properties.

In the context of environmental permits, including reclamation plans, the Company must comply with standards and regulations which entail significant costs and can entail significant delays. Such costs and delays could have an adverse impact on the Company's operations.

Failure to comply with applicable environmental and health and safety laws may result in injunctions, damages, suspension or revocation of licences or permits and the imposition of penalties. There can be no assurance that the Company has been or will be at all times in complete compliance with such laws, regulations and permits, or that the costs of complying with current and future environmental and health and safety laws and permits will not adversely affect the Company's business, results of operations, financial condition or prospects.

Climate Change Controls

The primary source of greenhouse gas emissions in Canada is the use of hydrocarbon energy. The operations of the Canoe Property will depend significantly on hydrocarbon energy sources to conduct daily operations, and there are currently no economic substitutes for these forms of energy. The federal and provincial governments have not finalized any formal regulatory programs to control greenhouse gases, and it is not yet possible to reasonably estimate the nature, extent, timing and cost of any programs contemplated or their potential effects on the operations of the Company's Properties. However, the broad adoption of emission limitations or other regulatory efforts to control greenhouse gas emissions may affect the demand for gold as well as increase production and transportation costs.

Obtaining and Renewing of Government Permits

In the ordinary course of business, the Company is required to obtain or renew governmental permits for mineral exploration or for the development, construction, commencement, operation or expansion of mining operations. Obtaining or renewing the necessary governmental permits is a complex and time-consuming process involving numerous agencies which can often involve public hearings and costly undertakings. The duration and success of the Company's efforts to obtain or renew permits are contingent upon many variables not within the Company's control, including the interpretation of applicable requirements implemented by the permitting authority or potential legal challenges from various stakeholders such as environmental groups, nongovernmental organizations, aboriginal groups or other claimant. The Company may not be able to obtain or renew permits that are necessary to its operations, or the cost to obtain or renew permits may exceed what the Company believes it can recover from the Company's Properties once in production. Any unexpected delays or costs associated with the permitting process could delay the development or impede the operation of a mine, which could have a material adverse effect on the Company's operations and profitability.

Competition in the Mining Industry

The international mining industry is highly competitive. The Company's ability to acquire properties with reserves in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable properties or prospects for mineral exploration. The Company may be at a competitive disadvantage in acquiring additional mining properties because it must compete with

other individuals and companies, many of which have greater financial resources, operational experience and technical capabilities than the Company. The Company may also encounter increasing competition from other mining companies in its efforts to hire experienced mining professionals. Competition for exploration resources at all levels is currently very intense, particularly affecting the availability of manpower, drill rigs and helicopters. Increased competition could adversely affect the Company's ability to attract necessary capital funding or acquire suitable producing properties or prospects for mineral exploration in the future.

Increased demand for services and equipment could cause project costs to increase materially, resulting in delays if services or equipment cannot be obtained in a timely manner due to inadequate availability, and increase potential scheduling difficulties and cost increases due to the need to coordinate the availability of services or equipment, any of which could materially increase project exploration, development or construction costs, result in project delays or both.

Acquisitions and Integration

From time to time, the Company may pursue opportunities to acquire additional mining assets and businesses. Any acquisition that the Company may choose to complete may be of a significant size, may change the scale of the Company's business and operations, and may expose the Company to new geographic, political, operating, financial and geological risks. The Company's success in its acquisition activities will depend on its ability to identify suitable acquisition candidates, negotiate acceptable terms for any such acquisition, and integrate the acquired operations successfully with those of the Company. Any acquisitions would be accompanied by risks. For example, there may be a significant change in commodity prices after the Company has committed to complete the transaction and established the purchase price or exchange ratio; a material ore body may prove to be below expectations; the Company may have difficulty integrating and assimilating the operations and personnel of any acquired companies, realizing anticipated synergies and maximizing the financial and strategic position of the combined enterprise, and maintaining uniform standards, policies and controls across the organization; the integration of the acquired business or assets may disrupt the Company's ongoing business and its relationships with employees, customers, suppliers and contractors; and the acquired business or assets may have unknown liabilities which may be significant. In the event that the Company chooses to raise debt capital to finance any such acquisition, the Company's leverage will be increased. If the Company chooses to use equity as consideration for such acquisition, existing shareholders may suffer dilution. Alternatively, the Company may choose to finance any such acquisition with its existing resources. There can be no assurance that the Company would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions.

Litigation Risk

All industries, including the mining industry, are subject to legal claims, with and without merit. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

Employee Recruitment

Recruiting and retaining qualified personnel is critical to the success of the Company. The number of persons skilled in acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the Company's business activity grows, the Company will require additional key executive, financial, operational, administrative and mining personnel. There can be no

assurance that the Company will be successful in attracting, training and retaining qualified personnel. If the Company is not successful in attracting and training qualified personnel, the efficiency of its operations could be affected, which could have a material adverse effect on the Company's results of operations and profitability.

Market Perception

Market perception of gold exploration companies such as the Company may shift such that these companies are viewed less favourably. This factor could impact the value of investors' holdings and the ability of the Company to raise further funds, which could have a material adverse effect on the Company's business, financial condition and prospects.

Insurance and Uninsured Risks

The Company may become subject to liability as Canoe's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Company's property or the properties of others, delays in development or mining, monetary losses and possible legal liability.

Although, the Company plans to maintain insurance for protection against certain risks in amounts it considers being reasonable, such insurance may not cover all the potential risks associated with Canoe's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Moreover, insurance against political risk and risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Limited Operating History

The Company has no history of operations but is focused on the business of mining, mineral and resource exploration and development. As such, the Company is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

Negative Cash Flow and Absence of Profits

The Company has not earned any profits to date and there is no assurance that the Company will earn any profits in the future, or that profitability, if achieved, will be sustained. The success of the Company will ultimately depend on its ability to generate revenues from operations. There is no assurance that any future revenues will be sufficient to generate the required funds to develop the Company's Properties.

Management of Growth

The Company may be subject to growth-related risks including pressure on its internal systems and controls. The Company's ability to manage its growth effectively will require it to continue to implement

and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth could have a material adverse impact on its business, operations and prospects. The Company may experience growth in the number of its employees and the scope of its operating and financial systems, resulting in increased responsibilities for the Company's personnel, the hiring of additional personnel and, in general, higher levels of operating expenses. In order to manage its current operations and any future growth effectively, the Company will also need to continue to implement and improve its operational, financial and management information systems and to hire, train, motivate, manage and retain its employees. There can be no assurance that the Company will be able to manage such growth effectively, that its management, personnel or systems will be adequate to support the Company's operations or that the Company will be able to achieve the increased levels of revenue commensurate with the increased levels of operating expenses associated with this growth.

Key Personnel

The Company's business involves a certain degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. As such, the Company's success is dependent on the services of its senior management. The loss of one or more of the Company's key employees could have a material adverse effect on the Company's operations and business prospects. In addition, the Company's future success depends on its ability to attract and retain skilled technical, management, sales and marketing personnel. There can be no assurance that the Company will be successful in attracting and retaining such personnel and the failure to do so could have a material adverse effect on the Company's business, its operating results as well its overall financial condition.

Conflicts of Interest

There are potential conflicts of interest to which the proposed directors, officers, insiders and promoters of the Company will be subject in connection with the operations of the Company. Some of the directors, officers, insiders and promoters have been and will continue to be engaged in the identification and evaluation, with a view to potential acquisition of interests in businesses on their own behalf and on behalf of other companies, and situations may arise where some or all of the directors, officers, insiders and promoters will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies prescribed by the CBCA and/or the OBCA, as applicable, the TSXV, and applicable securities laws, regulations and policies.

Additional Information

Additional information concerning the Company is available on Sedar at **www.sedar.com**.

Additional Disclosure for Venture Issuers

Exploration and Evaluation Expenditures

Hamlin-Deaty Creek Property, Ontario

Expenditures	Year Ended December 31, 2016 ($)	Year Ended December 31, 2015 ($)
Balance, beginning of year	100,000	330,000
Write-down of property	nil	(230,000)
Sale of property	(100,000)	nil
Balance, end of year	**nil**	**100,000**

Coldstream Property, Ontario

Expenditures	Year Ended December 31, 2016 ($)	Year Ended December 31, 2015 ($)
Balance, beginning of year	1,167,744	3,210,195
Acquisition costs	(2,153)	5,603
Geophysics and consulting	977	11,295
Write-down of property	(10,569)	(2,059,349)
Sale of property	(1,155,999)	nil
Balance, end of year	**nil**	**1,167,744**

Kerrs Gold Property, Ontario

Expenditures	Year Ended December 31, 2016 ($)	Year Ended December 31, 2015 ($)
Balance, beginning of year	110,585	110,027
Acquisition costs	nil	558
Write-down of property	(110,585)	nil
Balance, end of year	**nil**	**110,585**

Abbie Lake Property, Ontario (Iron Lake Gold Project)

Expenditures	Year Ended December 31, 2016 ($)	Year Ended December 31, 2015 ($)
Balance, beginning of year	nil	797,281
Geophysics and consulting	nil	619
Write-down of property	nil	(797,900)
Balance, end of year	**nil**	**nil**

Keating Property, Ontario (Iron Lake Gold Project)

Expenditures	Year Ended December 31, 2016 ($)	Year Ended December 31, 2015 ($)
Balance, beginning of year	nil	nil
Acquisition costs	nil	(23,333)
Recovery of property	nil	23,333
Balance, end of year	**nil**	**nil**

General and Administrative Expenses

Detail	Year Ended December 31, 2016 ($)	Year Ended December 31, 2015 ($)
Management and consulting	95,030	233,583
Professional fees	73,693	93,905
Office and rent and other	89,404	107,644
General exploration	12,089	1,591
Stock-based compensation	50,505	nil
Transfer agent and filing fees	30,165	38,369
Travel	4,837	10,752
Total	**355,723**	**485,844**