The following Management's Discussion and Analysis ("MD&A") focuses on significant factors that affected Candente Gold Corp. ("Candente Gold") and its subsidiaries (collectively, the "Company") during the relevant reporting period and to the date of the report. This MD&A contains a review and analysis of financial results for the twelve months ended March 31, 2017 and identifies business risks that the Company faces and comments on financial resources required for development of the business.

This MD&A supplements, but does not form part of the consolidated financial statements of the Company and notes thereto for the twelve months ended March 31, 2017, and consequently should be read in conjunction with the afore-mentioned consolidated financial statements which are presented in accordance with International Financial Reporting Standards ("IFRS"). Information in this MD&A is current as of July 26, 2017.

All amounts, unless specifically identified as otherwise, both in the Company's consolidated financial statements and this MD&A are expressed in US dollars.

FORWARD-LOOKING STATEMENTS

This MD&A contains certain "forward-looking information" which may include, but is not limited to, statements with respect to future events or future performance, management's expectations regarding the Company's growth, results of operations, estimated future revenues, requirements for additional capital, production costs and revenue, future demand for and prices of gold and precious metals, business prospects and opportunities. In addition, statements relating to mineral estimates or mineralized material of recoverable gold and precious metals are forward-looking information, as they involve implied assessment, based on certain estimates and assumptions, that the gold and precious metals can be profitably produced in the future. Such forward-looking information reflects management's current beliefs and is based on information currently available to management. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "predicts", "intends", "targets", "aims", "anticipates" or "believes" or variations (including negative or grammatical variations) of such words and phrases or may be identified by statements to the effect that certain actions "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. A number of known and unknown risks, uncertainties and other factors may cause the actual results or performance to materially differ from any future results or performance expressed or implied by the forward-looking information. Such factors include, among others, general business, economic, competitive, political and social uncertainties; development and/or exploration activities and the accuracy of probability simulations prepared to predict prospective mineral resources; changes in project parameters as plans continue to be refined; political instability or insurrection or war; labor force availability and turnover; delays in obtaining governmental approvals and permits or in the completion of development or construction activities or in the commencement of operations; as well as those factors discussed in the section entitled "Risks Factors" in this MD&A. These factors should be considered carefully and readers of this MD&A should not place undue reliance on forward-looking information.

Although the forward-looking information contained in this MD&A is based upon what management believes to be reasonable assumptions, there can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. Such forward-looking information is made as of the date of this MD&A and, other than as required by applicable securities laws, the Company assumes no obligation to update or revise such forward-looking information to reflect new events or circumstances.

USE OF NON-GAAP MEASURES

In this document, we refer to terms that do not have any standardized meaning prescribed by International Financial Reporting Standards ("IFRS"). Usage of these terms may vary from the usage adapted by other companies and cannot be reconciled to comparable terms in the issuer's, consolidated financial statements for the twelve months ended March 31, 2017.

In this document and in the Company's consolidated financial statements, unless otherwise noted, all financial data is prepared in accordance with IFRS.

BUSINESS OVERVIEW

The Company is principally engaged in the exploration and development of mineral properties in Mexico and Peru. The Company is in the exploration stage as its properties have not yet reached commercial production and none of its properties is beyond the preliminary exploration stage. All work presently planned by the Company is directed at defining mineralization and increasing understanding of the characteristics of, and economics of, that mineralization.

The Company's principal asset is the El Oro gold-silver property located in the states of Mexico and Michoacan, Mexico (the "El Oro Property" or the "Property"). As of the date of this MD&A, the Company holds a 100% interest in the El Oro Property.

In June of 2013 the Company entered into an agreement ("Tailings Agreement") with the Municipality of El Oro giving the Company 100% of the right to explore and reprocess several different tailings deposits located throughout the Municipality of Hidalgo, State of Mexico. The Company has conducted evaluation activities on one of the acquired gold and silver tailings deposits, specifically, the Mexico Mine Tailings. The original term for this Tailings Agreement ended December 2015; on March 15, 2016, the Company and the Municipality agreed to enter into an extension of the Agreement with the Municipality under the same terms. This updated agreement is still being finalized.

In June 2015, the Company delisted from the Toronto Stock Exchange and received conditional approval to list its common shares on the TSX Venture Exchange under the ticker symbol "CDG". In July 2015, the Company completed its voluntary change in exchange listing with no interruption to trading of the Company's common shares.

During the period ended June 30, 2015, the Company allowed certain claims with regard to Peruvian properties to lapse and thus, recorded a non-cash impairment of $1,185,000. The Company has maintained in good standing a portion of the Tres Marias, Lunahuana and Las Brujas properties which are early stage gold and gold-silver exploration projects in Peru.

In November 2015, Independent Director Dr. Peter Megaw resigned for personal reasons. Dr. Megaw will remain associated with the Company in the capacity of Consultant in order to leverage his extensive and valuable knowledge of gold exploration in Mexico.

In March 2016, the Company entered into an agreement with Sun River Gold Corp. ("SRG"), a private Nevada corporation, to grant SRG the right and option to earn a 51% interest in the Company's tailings project in El Oro Mexico subject to specific terms as outlined in the Company's news release 053 dated March 8, 2016. While SRG has provided the Company with encouraging testwork results, they have not yet earned the 51% interest in the project, however given their encouraging work, the Company is in discussions with SRG to expand the current agreement.

On August 12, 2016, the Company completed a non-brokered private placement ("Private Placement") raising total proceeds of CDN$500,000. The Private Placement consisted of the sale of 10,000,000 units ("Units") at a price of CDN$0.05 with each Unit comprising one common share of the Company and one half-share purchase warrant ("Warrant"). Each full warrant is exercisable for one additional share of the Company's common stock for two years at a conversion price of CDN$0.10, subject to an acceleration provision triggered if, at any time after November 30, 2016, the Company's common shares have a closing price on the TSX Venture Exchange at or above a price of CDN$0.20 per share for a period of 10 consecutive trading days. A total of 5,000,000 Warrants were issued pursuant to the Private Placement as part of the Units.

Joanne Freeze, President, CEO and a director of the Company, and Paul H. Barry, Chairman of the Board and a director of the Company, collectively, subscribed for 915,000 Units or 9.15% of Units sold pursuant to the Private Placement, which in total value would represent less than 25% of Candente Gold's market capitalization.

On January 31, 2017, the Company acquired the remaining 30% interest in the El Oro Project (the "El Oro Project") in Mexico. (See "Mexico" for further details.)

On February 3, 2017, Mr. Andres Milla resigned as independent Director for personal reasons.

On February 6, 2017, the Company announced that Mr. Ian Ward was appointed an independent director of the Company. Mr. Ward is a professional engineer (Ontario) and metallurgist with extensive experience in the processing of gold and base metal ores and industrial minerals.

Mexico

El Oro Property

The Company's principal asset is the El Oro gold-silver property located in the states of Mexico and Michoacan, Mexico ("El Oro Property"). As of the date of this MD&A, the Company now holds a 100% interest in the El Oro Property, having recently purchased the remaining 30% from a wholly-owned subsidiary of Goldcorp Inc. Management has been reviewing all previous exploration results on the project and re-focusing targets for future exploration. One key area is the border zone of the historical Esperanza and Mexico Mines where several high-grade gold-silver intersections in several veins and structures were intersected by previous drilling by the Company. Since this area was drilled, a structural study identified northeasterly controls to high grades, which fits the nature of this border zone. Future drilling will target this border area as well as 31 other recently identified exploration targets. In addition to the El Oro Property, the Company has the right to process several tailings deposits left from pre-1930s milling of ores from mines on the San Rafael vein in the El Oro District ("Tailings Project"). The Company has been evaluating the potential for the historic tailings to generate near-term cash flow. One of these, the Mexico Mine Tailings, have had extensive historic assessments including drill testing and metallurgical test work. These tailings, lie within the town of El Oro and is adjacent to existing road access, power and water services.

Studies by the Company have determined that the Mexico Mine Tailings contain an Inferred Resource* of 1,267,400 tonnes grading 2.94 Au g/t, 75.12 Ag g/t containing 119,900 ounces of gold and 3,061,200 ounces of silver.

*Note: Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. All figures have been rounded to reflect the accuracy of the estimate. For more information, see "National Instrument 43-101 Technical Report on the Inferred Mineral Resource Estimate of the Mexico Mine Tailings" prepared by Nadia Caira, P.Geo. and Allan Reeves, P.Geo., dated August 25, 2014 with an effective date of July 8, 2014 (the "Technical Report") available at www.sedar.com.

In March of 2016 the Company signed an Option Agreement with Sun River Gold, which gives Sun River Gold the right to earn a 51% interest in the Tailings Project by making payments of $30,000 on signing and $3,000 each month subsequent to the first 3 months. During the fiscal year ended March 31, 2017, the Company received $32,000 (2016 - $10,000) for a total of $42,000.

Sun River Gold have to demonstrate a technically viable process for treatment of Mexico Mine Tailings, which achieves an Internal Rate of Return ("IRR") that meets Company management criteria for development. Upon achieving satisfactory results, the Company and Sun River Gold will form a joint venture whereby the Company will hold 49% and Sun River Gold will hold 51% of Candente Gold Mexico Jales (BVI) Ltd., an entity wholly owned by the Company which owns Minera CCM El Oro Jales S.A. de C.V., the entity that entered into a work contract with the Municipality of El Oro to process the Tailings Project. The joint venture would reclaim and treat the Mexico Mine Tailings, as well as other potentially economically treatable tailings material, which the Company has the right to process in the El Oro District of Mexico.

In September of 2016, Sun River Gold delivered test results and advised the Company that it has identified a treatment process, which it believes could be the basis for a viable gold and silver recovery operation on the Tailings Project. The Company continues to work with Sun River Gold to assess the most appropriate path forward.

On January 31, 2017, the Company acquired the remaining 30% interest in the El Oro Project in Mexico (the "Transferred Interest") from Desarrollos Mineros San Luis, S.A. de C.V. ("DMSL"), a subsidiary of Goldcorp Inc. ("Goldcorp"). The Company now holds a 100% interest in the El Oro Project as it had previously earned a 70% interest in the El Oro Project from Goldcorp. As consideration for the acquisition of the Transferred Interest, the Company agreed to issue to DMSL (or its nominee) an aggregate of 5,000,000 common shares of the Company. 1,000,000 common shares were issued on the date of acquisition of the Transferred Interest and further tranches of 1,000,000 common shares are to be issued to DMSL (or its nominee) on the four successive anniversary dates, with Candente Gold having the right but not the obligation to issue any or all of such 4,000,000 common shares in advance of such anniversary dates in its sole discretion.

Bi-annual land holding payments previously made by Goldcorp are now the responsibility of the Company and as at the end of January 2017 approximately $92,000 is owed to the Mexican government for land holding costs.

Peru

As at March 31, 2017, the Company has maintained in good standing portions of the Tres Marias and Las Brujas properties. These properties are early-stage gold and gold-silver exploration projects in Peru.

Inversiones Troy SAC ("Troy") has terminated an agreement with the Company which gave Troy SAC the right to acquire 100% of the Tres Marias property subject to an NSR of 1% as well as option payments totaling $500,000. No payments were made to the Company by Troy, however they did pay the annual holding costs for two years.

CONSOLIDATED OPERATING HIGHLIGHTS FOR THE TWELVE MONTHS ENDED MARCH 31, 2017 AND 2016

Operating Highlights	2017	2016	Change
Mexico			
Community Engagement and Initiatives	$ -	$ 12,054	$ (12,054)
Exploration: Data Compilation, Mapping, Geological Evaluations	(27,334)	26,257	(53,591)
Project administration	83,146	71,050	12,096
Cost recoveries	(32,000)	(10,000)	(22,000)
Peru			
Exploration: Data Compilation, Mapping, Geological Evaluations	-	57	(57)
Project administration	-	-	-
Total	$ 23,812	$ 99,418	$ (75,606)

Year Ended March 31, 2017 Compared to Year Ended March 31, 2016

Below is a comparison of the exploration costs incurred above for the twelve months ended March 31, 2017 with those incurred in the year ended March 31, 2016:

- The Company's community engagement and initiatives costs consist of onsite programs involving the local community around El Oro. Costs for the year ending March 31, 2017 have decreased from those in the prior year as the Company has decreased activities in an effort to conserve cash.

- Exploration costs include costs of all geologic personnel and consultants in Mexico, Peru and Canada, mapping and 3-D modeling costs and civil works costs. Exploration costs for the year ending March 31, 2017 have decreased from those in the prior year as the Company has decreased activities as a cost savings measure. In addition, during the current year, there was a reversal of an over accrual of costs from a prior year.

- Costs included in project administration are salaries for the staff on site at El Oro and the costs of maintaining the base camp operations at El Oro.

CONSOLIDATED FINANCIAL HIGHLIGHTS

Consolidated Financial Performance and Financial Position for the Twelve Months Ended March 31, 2017

		March 31, 2017		March 31, 2016		Change
Cash and cash equivalents	$	**124,923**	$	9,561	$	**115,362**
Unproven mineral rights interest	$	**8,524,911**	$	8,443,769	$	**81,142**
Total Assets	$	**8,661,075**	$	8,478,642	$	**182,433**
Share Capital	$	**24,193,995**	$	23,804,489	$	**389,506**
Net loss	$	**(258,447)**	$	(1,612,697)	$	**1,354,250**
Loss per share	$	**(0.00)**	$	(0.02)	$	**0.01**
Audit and tax advisory	$	**36,343**	$	34,743	$	**1,600**
Legal	$	**67,678**	$	59,210	$	**8,468**
Management fees, office salaries and benefits	$	**82,365**	$	39,670	$	**42,695**
Office, rent and miscellaneous		**17,748**	$	36,633	$	**(18,885)**
Regulatory and filing fees	$	**28,676**	$	34,415	$	**(5,739)**
Share-based payments	$	**151,964**	$	21,166	$	**130,798**
Shareholder communications	$	**49,207**	$	2,816	$	**46,391**

Total cash and cash equivalents as of March 31, 2017, increased from March 31, 2016 by $115,362 as a result of the Company's successful closing of a private placement during the year ending March 31, 2017.

Total assets increased from $8,478,642 to $8,661,075, an increase of $182,433. The increase was due to the acquisition of the remaining 30% of the El Oro Project as well as the increase in cash.

Net loss decreased from the same period in 2016 by $1,354,250, due to the impairment of $1,185,000 recorded in 2016 as well as a forgiveness of debt of $187,782 and an increase in the gain on foreign exchange of $14,587 realized in the current year.

Below is an explanation of the variances of amounts included in total general and administrative expenses for the twelve months ended March 31, 2017:

- Legal fees were $67,678 for the year ending March 31, 2017 compared to $59,210 in the prior year, representing an increase of $8,468. The increase is due to the purchase of the remaining 30% of the El Oro project.
- Management fees, office salaries and benefits are personnel costs incurred at the Company's offices in Vancouver and Peru. These costs have increased in the current year by $42,695. The proportion of management's time allocated to various projects can fluctuate, creating variances in the amounts recorded as general operating costs.
- Office, rent and miscellaneous was $17,748 for the year ending March 31, 2017 compared to $36,633 for 2016, representing a decrease of $18,885. The decrease is related to various cost savings by management.
- Regulatory and filing fees were $28,676 for the year ended March 31, 2017 compared to $34,415 in the prior year, a reduction of $5,739. The decrease is due to increased costs in prior year.

- Share-based payments for the year ended March 31, 2017 was $151,964 compared to $21,166 in the prior year, an increase of $130,798. This increase is due to the granting of 5,800,000 options in the current year. No options were issued in the prior year and the expense in 2016 was related to the vesting of options issued in a prior year.
- Shareholder communications was $49,207 for the year ended March 31, 2017 compared to $2,816 for the year ended March 31, 2016, an increase of $46,391. The increase is due to the Company's marketing efforts in Europe and North America and includes the costs of hiring a European investor relations firm, attendance at various mining conferences and travel within Europe and North America.

CONSOLIDATED FINANCIAL HIGHLIGHTS

Consolidated Financial Performance for the Three Months Ended March 31, 2017

	March 31, 2017		March 31, 2016		Change	
Cash and cash equivalents	$	124,923	$	9,561	$	115,362
Unproven mineral rights interest	$	8,524,911	$	8,442,769	$	82,142
Total Assets	$	8,661,075	$	8,478,642	$	182,433
Share Capital	$	24,193,995	$	23,804,489	$	389,506
Net loss	$	(431,242)	$	(55,791)	$	(375,451)
Audit and tax advisory	$	15,071	$	5,051	$	10,020
Legal	$	28,434	$	1,314	$	27,120
Management fees, office salaries and benefits	$	16,105	$	(624)	$	16,729
Regulatory and filing fees	$	11,971	$	4,231	$	7,740
Share-based payments	$	21,593	$	2,936	$	18,657
Shareholder communications	$	13,980	$	(45)	$	14,025

Below is an explanation of the variances of amounts included in total general and administrative expenses for the three months ended March 31, 2017:

- Audit and tax advisory was $15,071 for the three months ended March 31, 2017 compared to $5,051 for the quarter ended March 31, 2016, representing an increase of $10,020. The increase is due to accounting work completed in Mexico.
- Legal fees were $28,434 for the quarter ending March 31, 2017 compared to $1,314 in the prior year quarter, representing an increase of $27,120. The increase is due to the purchase of the remaining 30% of the El Oro project.
- Management fees, office salaries and benefits are personnel costs incurred at the Company's offices in Vancouver and Peru. These costs have increased in the quarter ended March 31, 2017 by $16,729 due to no costs incurred in the prior year.
- Regulatory and filing fees were $11,971 for the three months ended March 31, 2017 compared to $4,231 in the same quarter of the prior year, representing an increase of $7,740. The increase is due to fees associated with filing of the stock option plan.
- Share-based payments for the quarter ended March 31, 2017 was $21,593 compared to $2,936 in the same quarter of the prior year, an increase of $18,657. This increase is due to the granting of

5,800,000 options in the current year. No options were issued in the prior year and the expense in 2016 was related to the vesting of options issued in a prior year.

- Shareholder communications was $13,980 for the quarter ended March 31, 2017 compared to $(45) for the quarter ended March 31, 2016, an increase of $14,025. The increase is due to the Company's marketing efforts in North America and includes the costs of attendance at various mining conferences and travel costs.

LIQUIDITY AND CAPITAL RESOURCES

There is a working capital deficiency of $901,417 at March 31, 2017, including $731,359 in amounts due to related parties, which primarily consist of payables due to Candente Copper Corp., a company with shared administrative expenses, common directors and management.

The Company anticipates that during the next year, a substantial portion of available capital resources will be used to pay trade payables and accrued liabilities and commitments related to ongoing exploration activities in Mexico and Peru. The Company anticipates the future need to raise additional capital to further project development in Mexico and Peru as well as receive continued vendor support.

The Company does not generate cash flows from operations and accordingly, the Company will need to raise additional funds by entering into a joint venture agreement or through the issuance of securities or resource secured debt. Although, the Company has been successful in raising funds in the past there can be no assurance that the Company will be able to raise sufficient funds in the future, in which case the Company may be unable to meet obligations in the normal course of business. These factors may cast significant doubt regarding the Company's ability to continue as a going concern. Should the Company be unable to discharge liabilities in the normal course of business, the net realizable value of the Company's assets may be materially less than amounts on the statement of financial position.

On August 12, 2016, the Company completed a non-brokered private placement ("Private Placement") raising total proceeds of CDN$500,000. The Private Placement consisted of the sale of 10,000,000 units ("Units") at a price of CDN$0.05 with each Unit comprising one common share of the Company and one half-share purchase warrant ("Warrant"). Each full warrant is exercisable for one additional share of the Company's common stock for two years at a conversion price of CDN$0.10, subject to an acceleration provision triggered if, at any time after November 30, 2016, the Company's common shares have a closing price on the TSX Venture Exchange at or above a price of CDN$0.20 per share for a period of 10 consecutive trading days. A total of 5,000,000 Warrants were issued pursuant to the Private Placement as part of the Units.

Joanne Freeze, President, CEO and a director of the Company, and Paul H. Barry, Chairman of the Board and a director of the Company, collectively, subscribed for 915,000 Units or 9.15% of Units sold pursuant to the Private Placement, which in total value would represent less than 25% of Candente Gold's market capitalization.

COMMITMENTS AND CONTINGENCIES

Company has no material or significant commitments or contingencies.

RELATED PARTY TRANSACTIONS

Related parties consist of companies owned by executive officers and directors. The following is a list of the related parties that the Company enters into trading transactions with:

- Ridley Rocks Inc. – Management and exploration fees
- SW Project Management – Project management and exploration fees
- Michael Thicke Geological Consulting Inc. – Exploration fees
- Candente Copper Corp. – shared administrative expenses with a Company related by directors and management in common

The Company incurred the following fees and expenses in the normal course of operations for key management personnel for the year ended March 31, 2017 and 2016. Expenses have been measured at the exchange amount that is determined on a cost recovery basis.

	Year ended	
	March 31, 2017	March 31, 2016
Salaries and management and exploration fees	**$77,681**	$93,023
Share-based payment	**132,568**	14,352
	$210,249	$107,375

Share-based payments are the fair value of options expensed to directors and key management personnel during the year ended March 31, 2017 and 2016.

Company does not remunerate directors of the Company unless the market capitalization is greater than $75 million. During the year ended March 31, 2017, the Company paid $nil in directors' fees (2016 - $nil).

Balance owing

Amounts due to related parties are unsecured, non-interest bearing and due on demand. Accounts payable at March 31, 2017 included approximately $166,974 (March 31, 2016 - $308,510) owing to directors and officers and $571,423 (March 31, 2016 - $580,902) owing to Candente Copper Corp., a shareholder of the Company. During the year ended March 31, 2017, management forgave fees owed to them in the amount of $183,573.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Company's significant accounting policies are summarized in Note 3 of its interim consolidated financial statements for the twelve months ended March 31, 2017. The preparation of consolidated financial statements in accordance with IFRS requires management to select accounting policies and make estimates and judgments that may have a significant impact on the consolidated financial statements. The Company regularly reviews its estimates; however, actual amounts could differ from the estimates used and, accordingly, materially affect the results of operations.

(a) Critical accounting estimates

i. Valuation of share-based payments and warrants

When options and warrants are issued, the Company calculates estimated fair value using a Black-Scholes valuation model, which may not reflect actual fair value on exercise. The Company uses historical Company stock prices and estimated dividend yield rates to arrive at the inputs that are used in the valuation model to calculate the fair value of options or warrants.

(b) Critical accounting judgments

i. Going concern

Management assesses the Company's ability to continue as a going concern.

ii. Unproven mineral right interests

Mineral properties, include the cost of acquiring licenses, exploration and analysis, project administration, drilling, community and social values and environmental and health and safety. The technical feasibility and commercial viability of extracting a mineral resource is considered to be determinable when proven reserves are determined to exist, the rights of tenure are current and it is considered probable that the costs will be recouped through successful development and exploitation of the area, or alternatively by sale of the property. Management is required to exercise significant judgment in determining the timing of the determination of the technical and economic feasibility of the mineral resource. The Company considers both external and internal sources of information in assessing whether there are any indicators that unproven mineral right interests are impaired.

iii. Functional currency

The functional currency of the Company and its subsidiaries is the currency of the primary economic environment in which the entity operates. Determination of functional currency may involve certain judgments to determine the primary economic environment in which the entity operates and the Company reconsiders its functional currency and that of its subsidiaries if there is a change in events and conditions which determined the primary economic environment.

CONTROL MATTERS

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to senior management as is appropriate to permit timely decisions regarding public disclosure.

Management is reasonably confident that material information relating to the Company, including its consolidated subsidiaries, is being made known to senior management in a timely manner, and that the Company's disclosure controls and procedures are effective not only with respect to the Company's annual filing requirements but on an ongoing basis.

INTERNAL CONTROLS OVER FINANCIAL REPORTING ("ICFR")

Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The Company's internal control over financial reporting includes policies and procedures that pertain to the maintenance of records that accurately and fairly reflect the additions to and dispositions of the assets of the Company; provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS and the Company's receipts and expenditures are made only in accordance with authorization of management and the Company's directors; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the annual or interim financial statements.

Any system of internal controls over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

An evaluation of the design effectiveness of the Company's internal controls over financial reporting was conducted as of March 31, 2017, by the Company's management. Based on this evaluation, the Company's CEO and CFO have concluded that the design, disclosure controls, procedures and the effectiveness of the Company's internal controls over financial reporting was and is effective.

There were no changes in the Company's internal control over financial reporting during the period from April 1, 2016 to March 31, 2017 that have materially affected, or are reasonably likely to affect, the Company's internal control over financial reporting.

RISK FACTORS

The Company is subject to a number of significant risks due to the nature and the current stage of its business and the effect of worldwide economic conditions. Exploration of mineral properties involves a high degree of technical, financial and social risk. While discovery of a mineral deposit may result in substantial rewards, few exploration properties are ultimately developed into producing mines. Major expenditures may be required to establish resources and reserves by drilling, constructing mining and process facilities, developing metallurgical processes and extracting base and precious-metals from ore. It is impossible to ensure that the current exploration programs of the Company will result in profitable commercial mining operations.

Risk factors that should be taken into account in assessing the Company's activities and any investment in the Company include, but are not limited to, those listed below. Any one or more of these risk factors could have a material impact on the financial condition of the Company. This information, by its nature, is not all inclusive and risk factors that have not been listed could have a material impact on the future financial condition of the Company.

Economic conditions may prevent the Company from obtaining the capital required to continue Operations

The Company's ability to continue operations is contingent on its ability to obtain additional financing. Equity market conditions, funding environments and the price of the Company's common shares may make it dilutive and difficult to raise funds by the sale of the Company's shares. An investment in the shares of a junior resource company is considered to be a high-risk investment. The Company currently is in the process of raising capital to fund current operations and a working capital deficit, and there is no assurance that financing will be available to the Company in future periods.

History of Losses

The Company has incurred a net loss for the twelve months ended March 31, 2017 of $0.26 million and is expected to continue to generate losses while it continues to be an exploration-stage company. The Company anticipates significant expenditures for its mineral exploration programs. Since most exploration projects do not result in the discovery of commercially productive mineral reserves and are ultimately expensed in full, the Company expects to report net losses into the foreseeable future.

The long-term profitability of the Company's operations will be in part directly related to the success of its exploration programs, which are affected by numerous factors including the cost of such programs, the amount of mineral resources or reserves discovered and fluctuations in the price of any minerals produced.

Dilution

The Company does not generate any revenues from production and may not have sufficient financial resources to undertake by itself all of its planned exploration, feasibility and development programs. The Company has limited financial resources and has financed its operations primarily through the sale of securities such as common shares. The Company will need to continue its reliance on the sale of such securities for future financing, resulting in potential dilution to the Company's existing shareholders. The amount of additional funds required will depend largely on the success of the Company's exploration programs and extent of future development activities.

Further exploration programs will depend on the Company's ability to obtain additional financing which may not be available under favorable terms, if at all. If adequate financing is not available, the Company may not be able to commence or continue with its exploration and development programs or to meet minimum expenditure requirements to prevent the full or partial loss of its mineral properties. Also, failure to meet the Company's share of costs incurred under joint venture arrangements to which it is a party may result in a reduction of its interests in mineral properties. Furthermore, if other parties to such agreements do not meet their share of such costs, the Company may be unable to finance the cost required to complete the recommended programs.

No Known Mineral Reserves

All of the Company's mineral properties are in the exploration stage and are without known mineral reserves. Although the Company may discover mineral reserves through its exploration programs, commercial production may not be warranted due to insufficient quantities. Development of any of the Company's properties will only follow upon obtaining satisfactory exploration results. However, few mineral properties that are explored are ultimately developed into producing mines.

In the event a commercially productive mineral reserve is discovered, substantial expenditures are required to develop mineral reserves for production, development of metallurgical processes for extraction and to develop the mining and processing facilities and infrastructure at the production site. The marketability of any minerals discovered may be affected by numerous factors which are beyond the Company's control and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. Depending on the price of minerals produced, the Company may determine that it is impractical to commence or continue commercial production.

Title to Mineral Properties

The Company believes it has diligently investigated title to all of its hardrock mineral properties and, to the best of its knowledge, title to all properties are in good standing. However, these properties may be subject to prior unregistered agreements or transfers, which may affect the validity of the Company's ownership of such properties. The Company entered into an agreement on June 13, 2013 for the sole rights to recover and reprocess various tailings deposits located within the Municipality of Hidalgo. Although the original term for this agreement ended December 2015, on March 15, 2016, the Company entered into an extension with the Municipality under the same terms.

Although the Company has exercised the usual due diligence with respect to title to properties in which it has a material interest, title to such properties may be challenged or impugned in the future. The boundaries of the Company's mineral properties have not been surveyed and, therefore, the precise location and area of these mining properties may be in doubt. The Company makes a search of mining records in accordance with mining industry practices to confirm that it has acquired satisfactory title to its properties but does not obtain title insurance with respect to such properties. The possibility exists that title to one or more of its properties, particularly title to undeveloped properties, might be defective because of errors or omissions in the chain of title, including defects in conveyances and defects in locating or maintaining such claims. Should any defect in title be discovered by or disclosed to the Company, all reasonable steps would be taken to perfect title to the particular claims in question. The Company is not aware of any material defect in the title to its mineral properties.

A claim on any of the Company's mineral properties, especially if commercially productive mineral resources or reserves are located, could adversely affect the Company's long-term profitability as it may preclude entirely the economic development of a mineral property. Also, such a claim would affect the Company's current operations due to the high costs of defending against such claims and its impact on senior management's time.

Key Personnel

The Company is dependent on a relatively small number of key personnel, the loss of any of whom could have an adverse effect on the operations of the Company. The Company's success is dependent to a great degree on its ability to attract and retain qualified management personnel. The loss of such key personnel, through incapacity or otherwise, would require the Company to seek and retain other qualified personnel and could compromise the pace and success of its exploration activities. The Company does not maintain key person insurance in the event of a loss of any such key personnel. Also, certain management personnel of the Company are officers and/or directors of other publicly-traded companies and will only devote part of their time to the Company.

Additionally, the Company has relied on and is expected to continue relying upon consultants and others for exploration and development expertise. In the event a commercial mineral deposit is discovered on any of the Company's properties, the Company will likely require the expertise of such consultants and others for the development and operation of a producing mine.

Competition

The resource industry is intensively competitive in all of its phases, and the Company competes with many companies possessing much greater financial and technical research resources. Competition is particularly intense with respect to the acquisition of desirable undeveloped base-metal and precious-metal properties. The principal competitive factors in the acquisition of such undeveloped properties include the staff and data necessary to identify, investigate and purchase such properties, and the financial resources necessary to acquire and develop such properties. Competition could adversely affect the Company's ability to acquire suitable prospects for exploration in the future.

Industry Operating Hazards and Risks

Mineral exploration and development involves many risks, including location of commercially productive mineral resources or reserves, which may not occur even with a combination of experience, knowledge and careful evaluation. The operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to resource companies, any of which could result in work stoppages and damage to persons or property or the environment and possible legal liability for any and all damage. Fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides social disruptions, political instability and the inability to obtain suitable or adequate machinery, equipment or labour are some of the industry operating risks involved in the development and operation of mines and the conduct of exploration programs. Other risks include injury or loss of life, severe damage to or destruction of property, clean-up responsibilities, regulatory investigation and penalties and suspension of operations.

The occurrence of any of these operating risks and hazards may have an adverse effect on the Company's financial condition and operations.

Although the Company will, when appropriate, secure liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities might exceed policy limits, the liability and hazards might not be insurable, or the Company might elect not to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that may have a material adverse effect upon its financial condition and operations.

Government Regulations Political Climate

Mineral exploration on the Company's properties are affected to varying degrees by: (i) government regulations relating to such matters as environmental protection, health, safety and labour; (ii) mining law reform; (iii) tax laws (iv) restrictions on production, price controls, and tax increases; (v) maintenance of claims; (vi) tenure; and (vii) expropriation of property through nationalization, requisition or confiscation. Any mineral exploration activities conducted by the Company, including commencement of production, require permits from governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, mining, production, exports, taxes, labour standards, occupation health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters.

Companies engaged in the development and operation of mines and related facilities generally experience increased costs, and delays in development and/or production and other schedules as a result of the need to comply with applicable laws, regulations and permits. All permits required for the conduct of exploration, development and mining operations, including the construction of mining facilities, may not be obtainable by the Company on reasonable terms which would have an adverse effect on any mining project the Company might undertake. Additionally, failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining exploration, development or operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

To the best of the Company's knowledge, the Company is and will be operating in compliance with all applicable social and legal regulations. However, amendments to current governmental laws and regulations affecting mining companies, or the more stringent application thereof, or shifts in political conditions or attitudes could adversely affect the Company's operations including the potential to curtail or cease exploration programs or to preclude entirely the economic viability of a mineral property. The extent of any future changes to governmental laws and regulations cannot be predicted or quantified, but it should be assumed that such laws and regulations will become more stringent in the future. Generally, new laws and regulations will result in increased compliance costs, including costs for obtaining permits, delays or fines resulting from loss of permits or failure to comply with the new requirements.

Social Climate

Social acceptance to operate during the various stages of a mining project is an integral part of operating such that lack thereof provides a very real risk during the exploration, exploitation and closure stages of mine development. In addition, the fact that the means and tools to manage social acceptance are not an exact science adds to the level of risk.

The Company has established Corporate Social Responsibility policies and programs that includes:

- Regular communication with various members of the Community regarding their concerns and needs as well as our activities and objectives.

- Sustainable Development projects and alliances with International Non–Governmental Organizations ("NGOs") that are committed to improving the lives of families in under-developed regions.

The Company considers these initiatives as a foundation for building a positive and mutually beneficial long-term relationship with the various stakeholders in the project.

Environmental Liability

Although the Company is not aware of any formal claims for damages related to any impact that its activities have had on the environment, it may become subject to such claims in the future. An environmental claim could adversely affect the Company's business due to the high costs of defending against such claims and its impact on senior management's time.

The Company conducts exploration activities in Peru. Such activities are subject to various laws, rules and regulations governing the protection of the environment. All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which requires stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed properties and a heightened degree of responsibility for companies and their officers, directors and employees.

Although the Company is committed to compliance with all environmental regulations currently applicable, environmental hazards may exist on the Company's mineral properties, which are not known to the Company at present, that have been caused by previous or existing owners or operators.

Also, environmental regulations may change in the future which could adversely affect the Company's activities including the potential to curtail or cease exploration programs or to preclude entirely the economic development of a mineral property. The extent of any future changes to environmental regulations cannot be predicted or quantified, but it should be assumed that such regulations will become more stringent in the future. Generally, new regulations will result in increased compliance costs, including costs for obtaining permits, delays or fines resulting from loss of permits or failure to comply with the new regulations.

Fluctuations in Metal Prices

Although the Company does not hold any known mineral reserves, its future revenues, if any, are expected to be in large part derived from the future mining and sale of base and precious metals or interests related thereto. The prices of these commodities have fluctuated widely, particularly in recent years, and are affected by numerous factors beyond the Company's control including international economic and political conditions, expectations of inflation, international currency exchange rates, interest rates, global or regional consumptive patterns, speculative activities, levels of supply and demand, increased production due to other new mine developments and improved mining and production methods, availability and costs of metal substitutes, metal stock levels maintained by producers and others and inventory carrying costs. The effect of these factors on the price of base and precious metals, and therefore the economic viability of the Company's operations, cannot be accurately predicted.

Depending on the price obtained for any minerals produced, the Company may determine that it is impractical to commence or continue commercial production.

DISCLOSURES

Additional Information as specified by National Instrument 51-102

Additional information, including the Company's most recent Annual Information Form, is available on SEDAR at http://www.sedar.com

Venture Issuer Without Significant Revenue

This MD&A supports information disclosed in the Company's financial statements. More information regarding the Company's mineral right interests can be found under Note 3 of the Company's financial statements for the current reporting period.

SHARE CAPITAL

As of July 26, 2017, the Company had 107,206,923 common shares outstanding. As of July 26, 2017, the Company had 5,000,000 warrants outstanding and 9,390,000 outstanding share options.

APPENDIX A

Summary of selected annual information for each of the three most recently completed financial years

	March 31, 2017		March 31, 2016		March 31, 2015	
Cash and cash equivalents	**$**	**124,923**	$	9,561	**$**	**194,760**
Unproven mineral rights interest	**$**	**8,524,911**	$	8,443,769	**$**	**9,592,677**
Total Assets	**$**	**8,661,075**	$	8,478,642	**$**	**9,855,697**
Share Capital	**$**	**24,193,995**	$	23,804,489	**$**	**23,804,489**
Net loss	**$**	**(258,447)**	$	(1,612,697)	**$**	**(1,241,296)**
Loss per share	**$**	**(0.00)**	$	(0.02)	**$**	**(0.02)**

Summary of quarterly financial results

	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Net gain (loss)	(431,242)	40,523	132,276	(4)	(55,791)	(111,961)	(93,813)	(1,351,132)
Loss Per Share Attributable to Shareholders, Basic and Diluted	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	(0.01)