ESKAY MINING CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED FEBRUARY 28, 2017

(Expressed in Canadian Dollars)

Prepared by:

ESKAY MINING CORP.

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Discussion dated June 27, 2017

Introduction

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Eskay Mining Corp. ("Eskay" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended February 28, 2017. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited annual financial statements of the Company for the year ended February 28, 2017, together with the notes thereto. The Company's 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. Accordingly, they do not include all of the information required for full annual financial statements by IFRS. Information contained herein is presented as of June 27, 2017, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, 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 Eskay common shares; or (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 of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations is available on Eskay's website at **www.eskaymining.com** or on SEDAR at **www.sedar.com**.

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 may 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
For fiscal 2018, the Company's operating expenses are estimated to be $10,000 to $30,000 per month for recurring operating costs.	The Company has anticipated all material costs; the operating and exploration activities of the Company for fiscal 2018 and the costs associated therewith, will be consistent with Eskay's current expectations.	Unforeseen costs to the Company will arise; any particular operating costs increase or decrease from the date of the estimation; changes in economic conditions.
The Company's cash position at February 28, 2017 is not anticipated to be sufficient to fund its operating expenses for the twelve months ending February 28, 2018. The Company expects to complete an equity financing or find a joint venture partner for the St. Andrew Goldfield (SIB) - Eskay Project. The Company anticipates it will defer amounts payable, to the extent possible, while the Company searches for financing.	Financing will be available for the Company's exploration and evaluation activities and the results thereof will be favourable; actual operating and exploration costs will be consistent with the Company's current expectations; the Company will be able to retain and attract skilled staff; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company; the Company will not be adversely affected by market competition; debt and equity markets, exchange and interest rates and other applicable economic and political conditions are favourable to the Company; the price of gold and/or other applicable metals will be favourable to the Company; no title disputes exist with respect to the Company's properties.	Gold and other metals price volatility, changes in debt and equity markets; timing and availability of external financing on acceptable terms; the uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff; availability of permits; market competition.
Sensitivity analysis of financial instruments.	Based on management's knowledge and experience of the financial markets, the Company does not believe it was exposed to any material movements in the underlying market risk variables during the year ended February 28, 2017.	Changes in debt and equity markets; interest rate and exchange rate fluctuations.

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 "Risks and Uncertainties" 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.

Description of Business

The Company was incorporated under the British Columbia Business Corporations Act and continued on November 2, 2010, under the Business Corporations Act of Ontario. Its common shares are listed on the TSX Venture Exchange ("TSXV") (symbol "ESK") and the Frankfurt Stock Exchange (symbol "WKN 878985"). The Company is a natural resource company engaged in the acquisition and exploration of mineral properties in British Columbia, Canada. To date, the Company has not generated significant revenues from operations.

The Company has no revenues, so its ability to ensure continuing operations is dependent on its completing the acquisition of its mineral property interests, the discovery of economically recoverable reserves, confirmation of its interest in the underlying mineral claims, and its ability to obtain necessary financing to complete the exploration activities, development, if they are proven successful, and future profitable production.

Eskay's goal is to deliver superior returns to shareholders by concentrating on the exploration of its existing properties and the acquisition of properties that have the potential to contain gold or silver. The Company currently plans to focus on its material properties, as set out below under "Mineral Property Interests".

The Company will continue to attempt to raise capital to meet its ongoing operating activities.

Highlights

- On March 3, 2016, the Company settled $160,000 of management fees owed to a company controlled by an insider of the Company in consideration for the issuance of 1,855,072 common shares of the Company.

- On May 5, 2016, the Company closed the non-brokered offering ("Offering") of $200,000 with the sale of 2,000,000 Units. Each Unit comprises one (1) common share of the Company priced at $0.10 and one (1) common share purchase warrant (each a "Warrant"). Each Warrant entitles the holder to acquire one (1) common share at a price of $0.15 until the earlier of (i) May 4, 2018; and (ii) in the event that the closing price of the common shares on the TSXV is at least $0.30 for twenty (20) consecutive trading days, and the 20th trading day (the "Final Trading Day") is at least four (4) months from May 4, 2016, the date which is thirty (30) days from the Final Trading Day.

- On May 9, 2016, the Company announced that proceeds from the Offering were used to repay a loan relating to the Company's St. Andrew Goldfield SIB Property at Eskay Creek, British Columbia (the "SIB Property") and title to the SIB Property has been transferred into the name of the Company.

The Company earned its 80% interest in the SIB Property on January 23, 2013 pursuant to an option agreement with St. Andrew Goldfields Ltd. (now known as Kirkland Lake Gold Inc.) by expending $3.98 million dollars on exploration of the SIB Property. The SIB Property encompasses 33,000 hectares immediately adjacent to the prolific Eskay Creek Au-Ag mine of Barrick Gold which ceased production in 2008. Combined with Eskay's 100% owned Corey Property to the south, it controls 46,000 hectares or approximately 130,000 acres in northwest British Columbia's Golden Triangle.

- On August 8, 2016, the Company closed a non-brokered offering of $150,000 with the sale of 600,000 flow-through units ("FT Unit"). Each FT Unit comprises one flow-through common share of the Company priced at $0.25 and one common share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of $0.35 until the earlier of (i) August 5, 2018; and (ii) in the event that the closing price of the common shares on the TSXV is at least $0.40 for twenty (20) consecutive trading days, and the 20th trading day (the "20th Trading Day") is at least four months from August 5, 2016, the date which is thirty (30) days from the 20th Trading Day.

- The Company received approval from shareholders at the November 2, 2016 Annual and Special Meeting and has received final approval from the TSXV to settle an aggregate of $341,682 of management fees owed to a company controlled by the President and Chief Executive Officer ("CEO") of the Company in consideration for the issuance of 1,627,059 common shares of the Company at a price of $0.21 per share. The shares have been issued and the debt has been settled. The securities issued are subject to a hold period expiring on March 18, 2017.

- On November 16, 2016, directors' options that were granted on: (i) February 12, 2014 to exercise 550,000 options to purchase 550,000 common shares of the Company at $0.05 per share; (ii) February 3, 2015 to exercise 228,572 options to purchase 228,572 common shares of the Company at $0.14 per share; (iii) December 15, 2015 to exercise 350,000 options to exercise 350,000 common shares of the Company at $0.075 per share; and (iv) February 5, 2016 to exercise 200,000 options to purchase 200,000 common shares of the Company at $0.105 per share were exercised for an aggregate of $106,750.

- On March 13, 2017, the Company announced the acceleration of the expiry date of the WC Warrants with an original expiry date of May 4, 2018 issued pursuant to the private placement which closed on May 4, 2016 to expire on April 13, 2017, due to the fact that the Company's common shares have closed at a price of at least $0.30 for twenty (20) consecutive trading days. All 2,000,000 WC Warrants were exercised for gross proceeds of $300,000.

- On April 26, 2017, the Company announced that it has signed an option agreement (the "Agreement") with Silver Standard Resources Inc. ("Silver Standard") pursuant to which Silver Standard may acquire up to a 60% undivided interest in part of Eskay's SIB Property, located in northwest British Columbia, Canada.

  The SIB Property comprises a land package of approximately 4,400 hectares land package containing 30 mining claims. The project forms a small part of Eskay's property, which is jointly controlled by Eskay and St Andrew, who hold an 80% and 20% undivided interest, respectively. Under the terms of the Agreement, Silver Standard will explore the SIB Property during a three-year option period. To earn a 51% undivided interest in the SIB Property from Eskay, Silver Standard is required to complete a $300,000 private placement (the "Private Placement") in the Company, and spend an aggregate of $11.7 million in exploration expenditures over the three years, including $3.7 million in the first year and $4 million in each of the following two years of the option period, subject to certain gold price thresholds in each option year. Once a 51% undivided interest is earned, Silver Standard can either proceed to form a joint venture with Eskay and St Andrew to advance the SIB Property, or exercise a second option to earn a further 9% undivided interest for an aggregate of

60% undivided interest by either delivering a preliminary economic assessment or completing 23,000 meters of diamond drilling (including any drilling completed in order to exercise the first option) on the SIB Property. After completing the Private Placement and spending a minimum of $3.7 million, Silver Standard can terminate the Agreement at any time.

The Private Placement has been completed with the issuance of 1,290,322 common shares of the Company at a price of $0.2325 per share. The securities issued are subject to a hold period expiring on August 26, 2017.

Overall Objective

The primary business objective of Eskay is the acquisition, exploration and evaluation of mineral properties based upon Eskay's current holdings in British Columbia, Canada. In furtherance of this objective, the Company established the following business strategy:

- Develop and implement a discretionary exploration budget on acquired property interests with a view to establishing a viable mineral deposit; and

- Capitalize on management's technical expertise and ability to identify, evaluate and acquire exploration properties.

With the current market environment, the Company will explore the possibility of entering into a joint venture with senior mineral companies to fully explore its projects.

See "Risks and Uncertainties" below.

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. Year to date, equity markets in Canada showed signs of improvement, with equities increasing significantly. 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 "Risks and Uncertainties", 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.

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.

Outlook

For the immediate future, the Company plans to continue to search for financing, and once funds are raised, develop an exploration program for the SIB Property and the Corey Mineral Claims. The Company is continually evaluating direct or indirect acquisitions of additional properties. The Company continues to monitor its spending and will amend its plans and budgets based on exploration results and expectations of being able to raise financing as and when required.

Mineral Property Interests

Charles J. Greig, P. Geo., a member of the Company's Advisory Team, is a Qualified Person under the definition of National Instrument 43-101. Mr. Greig has approved the disclosure contained under the heading "Mineral Property Interests" and has verified the scientific and technical data contained herein.

The following table summarizes the Company's current exploration programs at the SIB Property and Corey Mineral Claims, and total estimated cost to complete each exploration program, and total expenditures incurred during the period presented. For more information about exploration expenditures incurred by category, please see "Additional Disclosure for Venture Issuers Without Significant Revenue" below.

Summary of Completed Activities (Year Ended February 28, 2017)	(A) Spent	Plans for the Project	(B) Planned Expenditures
Based on the Company's working capital deficit of $526,834 at February 28, 2017 (February 29, 2016 – working capital deficit of $1,258,945), the Company will have to raise equity capital in fiscal 2018 in amounts sufficient to fund its exploration work requirements. The major variables are expected to be the size, timing and results of the Company's exploration program and its ability to continue to access capital to fund its ongoing operations. Notes 1 and 2. All the projects are in good standing until 2021.	$77,000	Permitting has been completed for a large-scale deep drilling program at the SIB. The other areas discussed in Note 1 will also be the focus for work aimed at developing drill targets. On the North Mitchell block, the focus will be on an MT or deep-looking 3D Induced Polarization survey to help target mineralizing systems on Eskay's North Mitchell block, north of Brucejack and east of Fe Cap. On the southernmost Eskay tenures, north to the latitude of Sulphurets Creek and including much of the Corey property, further late-season reconnaissance prospecting, geochemical surveys, and mapping will be undertaken to better evaluate the potential for Eskay Creek-style mineralization in the Middle Jurassic felsic submarine volcanic stratigraphy; at the same time, vein-type mineralization in the Big Red area will be further assessed for its depth potential.	$100,000
Subtotals	**$77,000**		**$100,000**
Total (A+B)			**$177,000**

<u>Note 1</u>

Corey Mineral Claims

In September 1990, the Company acquired a 100% interest in mineral tenures located in the Skeena Mining Division, Province of British Columbia for $30,000 cash and a royalty of 5% of net profits from these claims to a maximum of $250,000.

These mineral properties are located in northwestern British Columbia, 70 km northwest of Stewart. The Company holds a 100% interest in these mineral tenures subject to a 2% net smelter royalty.

On the southernmost part of the Corey Property, the 2016 fieldwork and sampling strongly suggests that rocks similar in age, lithology, and alteration to those hosting the Eskay Creek deposit not only underlie parts of Eskay's 100% owned Corey block on the southwestern part of the property, as was previously known, but also underlie most of the area to the east and southeast of there, toward the Frank Mackie icefield, which has been regarded previously as being underlain by older rocks. Very encouraging results were returned by preliminary soil and rock geochemical sampling in that area, east of Ted Morris glacier, including two strings of soil geochemical samples across 400 to 500 meters which all yield anomalous precious metals values, along with very strongly anomalous "pathfinder" elements such as, Sb, Cu, Pb, Mo and Zn, which are characteristic of "Eskay-style" mineralization.

The North Mitchell block of Eskay's ESK-JV Claims was mapped in 2016 and a number of rock and soil geochemical samples were also collected from this area. The block, which abuts the northern end of Pretivm's Brucejack-Snowfield property and which lies immediately east of Seabridge Gold Inc.'s Fe Cap deposit, lies along a highly altered and very well-mineralized trend that links the Treaty Creek area on the northwest with the Kerr deposit on the southwest. In addition to Kerr, this trend encompasses Seabridge's Sulphurets, Mitchell and Fe Cap deposits, and Pretivm's Snowfield deposit. At Treaty Creek, Tudor Gold Corp. recently announced results documenting impressively broad gold intersections in drilling. Stratified rocks on the North Mitchell block are also very similar to those on the Brucejack property. The style and intensity of quartz-sericite-pyrite alteration affecting latite flows and fragmental rocks outcropping at lower elevations along the margin of the Mitchell glacier on the south part of the block is similar to that associated with mineral deposits throughout the Sulphurets camp. With the knowledge that this part of the stratigraphy plays a role in localizing alteration and mineralization on the Brucejack property, with the proximity of this block to the Fe Cap and Snowfield deposits, and with the fact that sampling of the altered rocks returned elevated gold values (up to 295 ppb Au), Eskay is greatly encouraged by the results, observations, and interpretations in its field program.

Another focus for fieldwork was the Big Red area near the south end of the Eskay holdings, west of Ted Morris Creek. There, approximately 25 grab samples from very common quartz veins hosted in biotite-hornfelsed and variably quartz-sericite-pyrite altered volcaniclastic rocks consistently yielded very highly anomalous copper, molybdenum and tungsten values, with locally anomalous silver and gold. The geochemical signature, the extent of alteration and the density of veining all suggest that the area warrants follow-up exploration.

Note 2

St. Andrew Goldfield (SIB) - Eskay Project

Pursuant to an option agreement dated May 7, 2008 with St. Andrew Goldfields Ltd., the Company earned a 70% interest in the SIB Property. Pursuant to an amending option agreement with St. Andrew Goldfields Ltd. dated January 17, 2013, Eskay can earn a further 10% undivided interest in the SIB Property for a total 80% working interest. Eskay had expended an aggregate of $3.98 million on exploration of the SIB Property and pursuant to the amending agreement between the parties, issued a further 265,000 common shares (issued on January 22, 2013) to St. Andrew Goldfields Ltd. to earn its 80% interest. The Company is required to assume and thereafter satisfy the bonding requirements imposed by the B.C. Ministry of Energy and Mines in respect of the SIB Property, estimated to be a sum of approximately $60,000. The bond repayment obligation has been satisfied with a promissory note, however the 80% earn-in is subject to the settlement of this promissory note. Upon transfer of the 80% interest in the SIB Property to the Company, the parties will enter into a joint venture for the further exploration, evaluation and development of the SIB Property, if the SIB Property is proven successful.

On November 20, 2013, the Company entered into a second amending option agreement with St. Andrew Goldfields Ltd. Pursuant to the second amending option agreement, the lease payment obligation of $19,752 and the $60,000 bond repayment obligation are consolidated into a single fixed term loan due on April 1, 2015, bearing interest of 8% per annum calculated semi-annually from October 1, 2013 until payment. This fixed term loan is governed by a promissory note between Eskay and St. Andrew Goldfields Ltd.

On June 2, 2015, the Company entered into a third amending option agreement with St. Andrew Goldfields Ltd. to extend the due date of the $79,752 promissory note to April 1, 2016 on the same terms.

On May 9, 2016, the Company repaid the promissory note together with accrued interest in the amount of $97,421 and title to an 80% interest in the SIB Property has been transferred into the name of the Company.

See "Subsequent Events" below.

Deposits and Exploration Advances

As at February 28, 2017, the Company had $132,870 (February 29, 2016 - $132,870) of deposits and exploration advances held by the provincial government of British Columbia. Such deposits were required by the B.C Ministry of Energy and Mines in order to permit the Company to conduct exploration and evaluation activities in that province.

Summary of Quarterly Results

Three Months Ended	Profit and Loss		Total Assets ($)
	Total ($)	Basic and Diluted Loss Per Share [9] [10] ($)	
2017-February 29	(195,215) [1]	(0.00)	278,350
2016-November 30	(535,894) [2]	(0.01)	365,281
2016-August 31	(85,892) [3]	(0.00)	349,760
2016-May 31	61,772 [4]	0.00	196,524
2016-February 29	(300,266) [5]	(0.00)	171,031
2015-November 30	(71,180) [6]	(0.00)	139,950
2015-August 31	(78,463) [7]	(0.00)	154,359
2015-May 31	(59,976) [8]	(0.00)	166,533

(1) Net loss of $195,215 consisted primarily of: exploration and evaluation recovery of $10,570; professional fees recovery of $18,737; reporting issuer costs of $9,429; reversal of the write off of debt of $162,273; and management and consulting fees of $35,640. All other expenses related to general working capital purposes.

(2) Net loss of $535,894 consisted primarily of: share-based payments of $375,440; exploration and evaluation expenditures of $53,825; professional fees of $34,311; reporting issuer costs of $11,873; and management and consulting fees of $37,876. All other expenses related to general working capital purposes.

(3) Net loss of $85,892 consisted primarily of: exploration and evaluation expenditures of $21,982; professional fees of $32,135; reporting issuer costs of $6,017; and management and consulting fees of $35,586. All other expenses related to general working capital purposes.

(4) Net income of $61,772 consisted primarily of: write-off of debt of $162,273 offset by loss on settlement of debt of $34,783, exploration and evaluation expenditures of $11,985; professional

fees of $11,246; and management and consulting fees of $35,586. All other expenses related to general working capital purposes.

(5) Net loss of $300,266 consisted primarily of: share-based payments of $231,550; exploration and evaluation expenditures of $3,108; professional fees of $12,582; reporting issuer costs of $12,673; and management and consulting fees of $35,593. All other expenses related to general working capital purposes.

(6) Net loss of $71,180 consisted primarily of: exploration and evaluation expenditures of $13,753; professional fees of $13,448; reporting issuer costs of $4,214; and management and consulting fees of $35,582. All other expenses related to general working capital purposes.

(7) Net loss of $78,463 consisted primarily of: exploration and evaluation expenditures of $559; professional fees of $11,328; reporting issuer costs of $4,334; and management and consulting fees of $35,577. All other expenses related to general working capital purposes.

(8) Net loss of $59,976 consisted primarily of: exploration and evaluation expenditures of $902; professional fees of $9,617; reporting issuer costs of $1,337; share-based payments of $8,135; and management and consulting fees of $35,574. All other expenses related to general working capital purposes.

(9) Basic and diluted.

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

Discussion of Operations

Year Ended February 28, 2017, Compared With Year Ended February 29, 2016

Eskay's net loss totaled $755,229 for the year ended February 28, 2017, with basic and diluted loss per share of $0.01. This compares with a net loss of $509,885 with basic and diluted loss per share of $0.01 for the year ended February 29, 2016. The difference of $245,344 was principally because:

- The Company incurred an increase in share-based payments of $135,755 for the year ended February 28, 2017, compared to the year ended February 29, 2016, due to the value assigned to the 1,900,000 options during the current period compared to the value assigned to 2,850,000 options granted in the prior period.

- The Company incurred an increase in exploration and evaluation expenditures of $58,900 for the year ended February 28, 2017, compared to the year ended February 29, 2016. These expenditures were higher due to increased work on the St. Andrew Goldfield (SIB) - Eskay Project. See heading "Mineral Property Interests" above.

- During the year ended February 29, 2016, the Company did not properly reclaim certain sections of its property interests. As a result, $18,800 was confiscated by the provincial government of British Columbia.

- The Company incurred an increase in professional fees of $49,454 for the year ended February 28, 2017, compared to the year ended February 29, 2016. The increase resulted from the need for more professional fees in the current period.

- All other expenses related to general working capital purposes.

Three Months Ended February 28, 2017, Compared With Three Months Ended February 29, 2016

Eskay's net loss totaled $195,215 for the three months ended February 28, 2017, with basic and diluted loss per share of $0.00. This compares with a net loss of $300,266 with basic and diluted loss per share of $0.00 for the three months ended February 29, 2016. The difference of $105,051 was principally because:

- The Company incurred a decrease in share-based payments of $231,550 for the three months ended February 28, 2017, compared to the three months ended February 29, 2016, due to nil stock options issued in the current period while 2,850,000 options were issued in the comparative period.

- The Company incurred a decrease in exploration and evaluation expenditures of $13,678 for the three months ended February 28, 2017, compared to the three months ended February 29, 2016. These expenditures were lower due to reduced exploration activities at the Company's properties.

- During the three months ended February 28, 2017, the Company reversed the gain realized from the write off of $161,105 of historical trade and other payables that were written off in May 2016.

- The Company incurred an increase in professional fees of $6,155 for the three months ended February 28, 2017, compared to the three months ended February 29, 2016. The increase resulted from the need for more professional fees in the current period.

- All other expenses related to general working capital purposes.

Cash Flow

At February 28, 2017, the Company had cash of $113,696 compared to $7,501 at February 29, 2016. The increase in cash of $106,195 was as a result of cash inflow from financing activities of $447,168, cash outflow in investing activities of $79,752 and cash outflow in operating activities of $261,221.

Operating activities were affected by adjustments for share-based payments and accretion of $375,440 and $1,945, respectively and net change in non-cash working capital balances of $116,623 because of an increase in amounts receivable of $232, an increase in prepaid expenses of $892, a decrease in accounts payable and accrued liabilities of $109,701 and an increase in amounts due to related parties of $227,448.

Financing activities provided cash of $447,168 from the proceeds of the private placements in the amount of $350,000 offset by share issue costs of $9,582 and the exercise of stock options in the amount of $106,750.

Investing activities used cash of $79,752 (excluding interest of $17,669) for the repayment of the promissory note.

Liquidity and Financial Position

The activities of the Company, principally the acquisition, exploration and evaluation of mineral properties, are financed through equity offerings and the exercise of warrants or options. The Company continues to seek capital through various means including the issuance of equity and/or debt.

The Company has no operating revenues and therefore must utilize its current cash reserves and other financing transactions to maintain its capacity to meet ongoing discretionary and committed exploration and operating activities.
At February 28, 2017, the Company had a working capital deficiency of $526,834 (February 29, 2016 – $1,258,945).

As at February 28, 2017, the Company has no debt, other than a loan with an officer of the Company. Its credit and interest rate risk is minimal and amounts payable and other liabilities are short term and non-interest bearing.

The Company has traditionally supplemented equity financing from time to time by obtaining loans from related parties. These are used to provide interim, short-term financing to meet day-to-day cash flow needs on occasion, and are not intended to be a long-term source of capital. Subsequent to the fiscal year, the Company completed a $300,000 private placement and raised an additional $300,000 from the exercise of warrants (see "Subsequent Events" below).

The Company's use of cash at present occurs, and in the future will occur, principally in two areas, namely, funding of its general and administrative expenditures and funding of its investment activities. Those investing activities include the cash components of the cost of acquiring and exploring its mineral claims. For fiscal 2018, the Company's expected operating expenses are estimated to be $10,000 to $30,000 per month for recurring operating costs. The Company will also continue to evaluate its projects.

The Company does not have sufficient funds to continue with its projects as of the date of this MD&A. In order to rectify this problem, the Company is in the process of searching for a joint venture partner which will allow the Company to continue with its projects, depending on how the agreement between Eskay and the joint venture partner is structured. The Company has not assigned an expenditure amount to the SIB Property until a joint venture partner is found. In addition, the Company has assigned a $100,000 budget for its projects. Subsequent to the fiscal year, the Company executed an option agreement with Silver Standards Resources Inc. (see "Subsequent Events" below).

The Company is not anticipated to have sufficient cash to fund its operating expenses for the twelve months ended February 28, 2017. The Company will have to raise additional equity capital for fiscal 2018 in amounts sufficient to fund both exploration work and working capital requirements. The major variables are expected to be the size, timing and results of the Company's exploration program and its ability to continue to access capital to fund its ongoing operations. Any further exploration programs on its properties are subject to the Company raising capital or finding a joint venture partner. It is anticipated that payments on select amounts payable will be deferred until a financing is completed.

Additional measures have been undertaken or are under consideration to further reduce corporate overhead and field office costs.

Related Party Transactions

Related parties include the Board of Directors, officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

Eskay was a party to the following transactions with related parties:

Management and Consulting Fees	Year Ended February 28, 2017 $	Year Ended February 29, 2016 $
Hugh M. Balkam (1)	36,000	36,000
Balkam Partners Ltd. (2)	84,000	84,000
Marrelli Support Services Inc. (3)	22,406	22,326
Total	**142,406**	**142,326**

Professional Fees	Year Ended February 28, 2017 $	Year Ended February 29, 2016 $
Marrelli Support Services Inc. (4)	26,146	24,525
DSA Corporate Services Inc. (4)	nil	525
Total	**26,146**	**25,050**

(1) Fees for performing the function of Chief Executive Officer.

(2) Management fees charged by Balkam Partners Ltd., a company controlled by Hugh M. Balkam, an officer of the Company. As at February 29, 2016, Balkam Partners Ltd. and Hugh M. Balkam were owed $250,000, (February 29, 2016 - $688,597) and these amounts were included in amounts due to related parties.

(3) Fees for performing the function of Chief Financial Officer ("CFO") charged by Marrelli Support Services Inc., a company controlled by Carmelo Marrelli, CFO of the Company.

(4) Professional fees charged by Marrelli Support Services Inc., a company controlled by Carmelo Marrelli, CFO of the Company. As at February 28, 2017, the Company owed Marrelli Support Services Inc. $98,826 (February 29, 2016 - $83,986).

Filing fees charged by DSA Corporate Services Inc., a company controlled by Carmelo Marrelli, CFO of the Company.

(5) As at February 29, 2016, Hugh M. Balkam, an officer of the Company, was owed $121,500 (February 29, 2016 - $112,500) with respect to a loan advanced to the Company. This balance bears interest at 12% per annum and is due on demand.

(6) As at February 28, 2017, the Company owed certain officers, directors and parties related to officers and directors $489,349 (February 29, 2016 - $772,583) in relation to the transactions described above. These balances are unsecured, non-interest bearing and due on demand.

(7) On July 7, 2015, a total of 142,856 stock options were exercised by directors of the Company for common shares of the Company at $0.14 per share. On July 27, 2015, a total of 71,428 stock options were exercised for common shares of the Company at $0.14 per share. On February 8, 2016, a total of 600,000 stock options were exercised by directors of the Company for common shares of the Company at $0.05 per share. A total value of $52,440 was transferred to share capital as a result of the exercise of these stock options.

(8) Certain directors and officers subscribed for 1,000,000 units for $100,000 of the May 5, 2016 non-brokered offering, being Gordon McMehen, director $50,000; and Mac Balkam, director and officer $50,000.

(9) The Company received approval from shareholders at the November 2, 2016 Annual and Special Meeting and has received final approval from the TSXV to settle an aggregate of $341,682 of management fees owed to a company controlled by the President and CEO of the Company in consideration for the issuance of 1,627,059 common shares of the Company at a price of $0.21 per share. The shares have been issued and the debt has been settled. The securities issued are subject to a hold period expiring on March 18, 2017.

(10) On November 16, 2016, a total of 1,328,572 stock options were exercised by directors of the Company for common shares of the Company for gross proceeds of $106,750. The options were exercised for the following prices: (i) 550,000 common shares of the Company at $0.05 per share; (ii) 228,572 common shares of the Company at $0.14 per share; (iii) 350,000 common shares of the Company at $0.075 per share; and (iv) 200,000 common shares of the Company at $0.105 per share. A total value of $100,120 was transferred to share capital as a result of the exercise of these stock options.

(11) During the year ended February 28, 2017, the Company paid or accrued professional fees and disbursements of $61,108 (year ended February 29, 2016 - $nil) to Gardiner Roberts LLP ("Gardiner"), a law firm of which William R. Johnstone, Corporate Secretary of the Company, is a partner. These services were incurred in the normal course of operations for general corporate matters. All services were made on terms equivalent to those that prevail with arm's length transactions. As at February 28, 2017, Gardiner is owed $140,524 (February 29, 2016 - $98,507) and this amount is included in amounts due to related parties.

To the knowledge of the directors and senior officers of the Company, as at February 28, 2017, no person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 10% of the voting rights attached to all common shares of the Company. As at February 28, 2017, directors and officers of the Company control an aggregate of 19,834,204 common shares of the Company or approximately 18.61% of the shares outstanding.

The Company is currently not aware of any arrangements that may at a subsequent date result in a change in control of the Company. To the knowledge of the Company, it is not directly or indirectly owned or controlled by another corporation, by any government or by any natural or legal person severally or jointly.

Other liabilities

During the year ended February 28, 2017, the Company transferred $161,105 of accounts payable (the "Statute-barred Claims") to non-current liabilities on the basis that any claims in respect of the Statute-barred Claims were statute-barred under the Limitations Act (Ontario). The Statute-barred Claims related to expenses billed by and third party liabilities incurred by prior management of the Company prior to October 2010. However, for accounting purposes under IFRS, a debt can only be removed from the Company's Statement of Financial Position when it is extinguished meaning only when the contract is discharged or canceled or expires. The effect of the Limitations Act is to prevent a creditor from enforcing an obligation but it does not formally extinguish the debt for accounting purposes. It is the position of management of the Company that the Statute-barred Claims cannot be enforced by the creditors, do not create any obligation for the Company to pay out any cash and do not affect the financial or working capital position of the Company. The Statute-barred Claims are required to be reflected on the Company's Statement of Financial Position as a result of the current interpretation of IFRS, but they are classified as long-term liabilities since the Company has no intention or obligation to pay these Statute-barred Claims and the creditors cannot enforce payment of the Statute-barred Claims. While inclusion of these items is intended solely to comply with the requirements of IFRS, the Company in no way acknowledges any of the Statute-barred Claims.

Financial Instruments

The Company's financial instruments consist of:

Description	February 28, 2017 $	February 29, 2016 $
Cash	113,696	7,501
Deposits and exploration advances	132,870	132,870
Amounts receivable	26,060	25,828
Amounts payable and other liabilities	61,465	332,271
Amounts due to related parties	610,849	885,083
Promissory note	nil	79,752
Other liabilities	161,105	nil

The primary goals of the Company's financial risk management policies are to ensure that the outcome of activities involving elements of risk is consistent with the Company's objectives and risk tolerance, while maintaining an appropriate risk/reward balance and protecting the Company's statement of financial position from events that have the potential to materially impair its financial strength. Balancing risk and reward is achieved through: identifying risk appropriately, aligning risk with overall business strategy, diversifying risk, pricing appropriately for risk, mitigation through preventive controls, and transferring risk to third parties.

The long-term corporate objective and strategic plan remain unchanged. However, the short-term objective and plan continue to be modified to reflect global economic, financial and general market conditions, which will inevitably have an impact on the overall risk assessment of the Company. Such modifications include streamlining operational costs and preserving cash to the extent possible.

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

Financial risk

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest risk rate, foreign currency risk and commodity and equity price risk). Risk management is carried out by the Company's management team with guidance from the Audit Committee and Board of Directors. There have been no changes in the risks, objectives, policies and procedures of the Company during the years ended February 28, 2017 and February 29, 2016.

(i) Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Company's credit risk is primarily attributable to cash and amounts receivable. Cash is held with select major Canadian chartered banks, from which management believes the risk of loss to be minimal. Amounts receivable consist of sales taxes receivable from government authorities in Canada and other receivables. Management believes that the credit risk concentration with respect to amounts receivable is minimal.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at February 28, 2017, the Company had cash of $113,696 (February 29, 2016 - $7,501) to settle current liabilities of $672,314 (February 29, 2016 - $1,297,106). All of the Company's current financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as liquidity.

The Company's ability to continually meet its obligations and carry out its planned exploration activities is uncertain and dependent upon the continued financial support of its shareholders and securing additional financing.

(iii) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity and equity prices.

(a) Interest rate risk

The Company's overall exposure to the risk of changes in market interest rates relates primarily to its bank current account balances. At prevailing market interest rates, the impact on interest income is minimal.

(b) Foreign currency risk

The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company's exposure to foreign currency risk is minimal.

(c) Commodity and equity price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices as they relate to valuable minerals to determine the appropriate course of action to be taken by the Company.

Based on management's knowledge and experience of the financial markets, the Company does not believe it was exposed to any material movements in the underlying market risk variables during the year ended February 29, 2016.

Sensitivity analysis

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are reasonably possible over a twelve month period:

(i) Cash is subject to floating interest rates. The Company has no variable interest bearing debt and receives low interest rates on its cash balances. As such, the Company does not have significant interest rate risk.

(ii) The Company does not hold balances in foreign currencies to give rise to exposure to foreign exchange risk.

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.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook for 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's ability to continue to carry out its planned exploration activities is uncertain and dependent upon the continued financial support of its shareholders and securing additional financing.

The Company considers its capital to be equity, which comprises share capital, reserves and accumulated deficit, which at February 28, 2017, totaled a deficiency of $611,196 (February 29, 2016 - deficiency of $1,180,257).

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 exploration properties. Selected 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 February 28, 2017. 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 February 28, 2017, the Company is not compliant with Policy 2.5. The impact of this violation is not known and is ultimately dependent on the discretion of the TSXV.

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 are 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.

Commitments

Management contract
The Company is party to a management contract that requires an additional payment of up to $108,000 to be made upon the occurrence of certain events such as a change of control. As the triggering event has not occurred, the contingent payments have not been reflected in the Company's financial statements.

Flow-through commitment
The Company is obligated to spend $150,000 by December 31, 2017 of which $73,576 was incurred during the year ended February 28, 2017 as part of the flow-through funding agreement for shares issued in August 2016. The flow-through agreements require the Company to renounce certain tax deductions for Canadian exploration expenditures incurred on the Company's mineral properties to flow-through participants. The Company indemnified the subscribers for any related tax amounts that become payable by the subscribers as a result of the Company not meeting its expenditure commitments.

Share Capital

As of the date of this MD&A, the Company had 108,674,864 issued and outstanding common shares, 600,000 warrants and 9,907,144 stock options outstanding. Therefore, the Company had 119,182,008 common shares on a fully diluted basis.

Risks and Uncertainties

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Only investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment should undertake such investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. The Company's financial condition, results of operations and businesses are subject to certain risks, certain of which are described below (and elsewhere in this MD&A):

Additional Funding Requirements

The Company is reliant upon additional equity financing in order to continue its business and operations, because it is in the business of mineral exploration and at present does not derive any income from its mineral assets. There is no guarantee that future sources of funding will be available to the Company. If the Company is not able to raise additional equity funding in the future, it will be unable to carry out its business.

Commodity Price Volatility

The price of various commodities that the Company is exploring for can fluctuate drastically, and is beyond the Company's control. The Company is specifically concerned with the prices of precious and base metals and other minerals. While the Company would benefit from an increase in the value of precious and base metals and other minerals, a decrease in the value of precious and base metals and other minerals could also adversely affect it.

Title to Mineral Properties

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed or impugned. Although the Company has investigated its title to the mineral properties for which it holds an option or concessions or mineral leases or licences, there can be no assurance that the Company has valid title to such mineral properties or that its title thereto will not be challenged or impugned. For example, mineral properties sometimes contain claims or transfer histories that examiners cannot verify; and transfers under foreign law often are complex. The Company does not carry title insurance with respect to its mineral properties. A successful claim that the Company does not have title to a mineral property could cause the Company to lose its rights to mine that property, perhaps without compensation for its prior expenditures relating to the property.

Mineral Exploration

Mineral exploration involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, tailings impoundment failures, cave-ins, landslides and the inability to obtain adequate machinery, equipment or labour are some of the risks involved in mineral exploration and exploitation activities. The Company has relied on and may continue to rely on consultants and others for mineral exploration and exploitation expertise. Substantial expenditures are required to establish mineral reserves and resources through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of some properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining, or to upgrade existing infrastructure. There can be no assurance that the funds required to exploit any mineral reserves and resources discovered by the Company will be obtained on a timely basis or at all. The economics of exploiting mineral reserves and resources discovered by the Company are affected by many factors, many outside the control of the Company, including the cost of operations, variations in the grade of ore mined and metals recovered, price fluctuations in the metal markets, costs of processing equipment, and other factors such as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. There can be no assurance that the Company's mineral exploration and exploitation activities will be successful.

Country Risk

The Company could be at risk regarding any political developments in the country in which it operates. At present the Company is only active in Canada.

Uninsurable Risks

Mineral exploration activities involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences and political and social instability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could negatively affect the Company's profitability and financial position and the value of its common shares. The Company does not maintain insurance against environmental risks.

Environmental Regulation and Liability

The Company's activities are subject to laws and regulations controlling not only mineral exploration and exploitation activities themselves but also the possible effects of such activities upon the environment.

Environmental legislation may change and make the mining and processing of ore uneconomic or result in significant environmental or reclamation costs. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mineral exploitation activities, such as seepage from tailings disposal areas that could result in environmental pollution. A breach of environmental legislation may result in the imposition of fines and penalties or the suspension or closure of operations. In addition, certain types of operations require the submission of environmental impact statements and approval thereof by government authorities.

Environmental legislation is evolving in a manner that may mean stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their directors, officers and employees. Permits from a variety of regulatory authorities are required for many aspects of mineral exploitation activities, including closure and reclamation. Future environmental legislation could cause additional expense, capital expenditures, restrictions, liabilities and delays in the development of the Company's properties, the extent of which cannot be predicted. In the context of environmental permits, including the approval of closure and reclamation plans, the Company must comply with standards and laws and regulations that may entail costs and delays, depending on the nature of the activity to be permitted and how stringently the regulations are implemented by the permitting authority. The Company does not maintain environmental liability insurance.

Regulations and Permits

The Company's activities are subject to a wide variety of laws and regulations governing health and worker safety, employment standards, waste disposal, protection of the environment, protection of historic and archaeological sites, mine development and protection of endangered and protected species and other matters. The Company is required to have a wide variety of permits from governmental and regulatory authorities to carry out its activities. These permits relate to virtually every aspect of the Company's exploration and exploitation activities. Changes in these laws and regulations or changes in their enforcement or interpretation could result in changes in legal requirements or in the terms of the Company's permits that could have a significant adverse impact on the Company's existing or future operations or projects. Obtaining permits can be a complex, time-consuming process. There can be no assurance that the Company will be able to obtain the necessary permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from continuing or proceeding with existing or future operations or projects. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities.

Potential Dilution

The issue of common shares of the Company upon the exercise of the options and warrants will dilute the ownership interest of the Company's current shareholders. The Company may also issue additional options and warrants or additional common shares from time to time in the future. If it does so, the ownership interest of the Company's then current shareholders could also be diluted.

Management

The success of the Company is currently largely dependent on the performance of its management. Shareholders will be relying on the good faith, experience and judgment of the Company's management and advisers in supervising and providing for the effective management of the business of the Company. The loss of the services of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its management or other qualified personnel required to operate its business. Failure to do so could have a materially adverse effect on the Company and its prospects.

Additionally, directors and officers of the Company may also serve as directors and/or officers of other public companies from time to time.

Consequently, such directors and officers will be dividing their time between their duties to the Company and their duties to their other reporting issuers.

The Company has not purchased "key-man" insurance, nor has it entered into non-competition and nondisclosure agreements with management and has no current plans to do so.

Disclosure of Internal Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the 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 financial statements, and (ii) the 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 periods 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 this 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 the financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The issuer'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.

Proposed Transactions

There are no proposed transactions of a material nature being considered by the Company at the date of this MD&A. However, the Company continues to evaluate properties and corporate opportunities to advance its exploration, development and objectives.

Change in Accounting Polices

(i) IFRS 11 - Joint Arrangements was amended in May 2014 to require business combination accounting to be applied to acquisitions of interests in a joint operation that constitute a business. At March 1, 2016, the Company adopted this pronouncement and there was no material effect on its financial statements.

(ii) IAS 1 – Presentation of Financial Statements was amended in December 2014 in order to clarify, among other things, that information should not be obscured by aggregating or by providing immaterial information that materiality consideration apply to all parts of the financial statements and that even when a standard requires a specific disclosure, materiality considerations do apply. At March 1, 2016, the Company adopted this pronouncement and there was no material effect on its financial statements.

Recent Accounting Pronouncements

IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 - Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted. The Company is still in the process of assessing the impact of this pronouncement.

Subsequent Events

(i) On March 13, 2017, the Company announced the acceleration of the expiry date of the warrants with an original expiry date of May 4, 2018 issued pursuant to the private placement which closed on May 4, 2016 to expire on April 13, 2017, due to the fact that the Company's common shares have closed at a price of at least $0.30 for twenty (20) consecutive trading days. All 2,000,000 warrants were exercised for gross proceeds of $300,000.

(ii) On April 26, 2017, the Company announced that it has signed an option agreement (the "Agreement") with Silver Standard Resources Inc. ("Silver Standard") pursuant to which Silver Standard may acquire up to a 60% undivided interest in part of Eskay's SIB Property, located in northwest British Columbia, Canada.

The SIB Property comprises a land package of approximately 4,400 hectares land package containing 30 mining claims. The project forms a small part of Eskay's property, which is jointly controlled by Eskay and St Andrew, who hold an 80% and 20% undivided interest, respectively. Under the terms of the Agreement, Silver Standard will explore the SIB Property during a three-year option period. To earn a 51% undivided interest in the SIB Property from Eskay, Silver Standard is required to complete a

$300,000 private placement (the "Private Placement") in the Company, and spend an aggregate of $11.7 million in exploration expenditures over the three years, including $3.7 million in the first year and $4 million in each of the following two years of the option period, subject to certain gold price thresholds in each option year. Once a 51% undivided interest is earned, Silver Standard can either proceed to form a joint venture with Eskay and St Andrew to advance the SIB Property, or exercise a second option to earn a further 9% undivided interest for an aggregate of 60% undivided interest by either delivering a preliminary economic assessment or completing 23,000 meters of diamond drilling (including any drilling completed in order to exercise the first option) on the SIB Property. After completing the Private Placement and spending a minimum of $3.7 million, Silver Standard can terminate the Agreement at any time.

The Private Placement has been completed with the issuance of 1,290,322 common shares of the Company at a price of $0.2325 per share. The securities issued are subject to a hold period expiring on August 26, 2017.

Additional Disclosure for Venture Issuers without Significant Revenue

A summary of general and administrative expenses for the periods set forth below is as follows:

Detail	**Year Ended February 28, 2017 $**	**Year Ended February 29, 2016 $**
Professional fees	96,429	46,975
Reporting issuer costs	30,473	22,558
Office and general	17,222	5,549
Advertising and promotion	3,908	165
Management and consulting fees	144,688	142,326
Interest and bank charges	10,336	15,687
Share-based payments	375,440	239,685
Total	**678,496**	**472,945**

Project Expenditures

The following table sets forth a breakdown of material components of exploration expenditures incurred at the St. Andrew Goldfield (SIB) – Eskay Project.

Exploration and evaluation expenditures	Year Ended February 28, 2017 $	Year Ended February 29, 2016 $
Surveying, sampling and analysis	14,078	606
Geological and consulting	41,921	nil
Accretion	1,945	1,878
Lease payment	nil	15,838
BC mining tax credit recovery	(10,838)	nil
Transportation	9,880	nil
Exploration and evaluation expenditures	**56,986**	**18,322**

The following table sets forth a breakdown of material components of exploration expenditures incurred at the Corey Mineral Claims.

Exploration and evaluation expenditures	Year Ended February 28, 2017 $	Year Ended February 29, 2016 $
Geological and consulting	8,000	nil
Transportation	9,507	nil
Other	2,729	nil
Exploration and evaluation expenditures	**20,236**	**nil**