Introduction

The following interim Management's Discussion & Analysis ("Interim MD&A") of Eskay Mining Corp. ("Eskay" or the "Company") for the three and nine months ended November 30, 2017 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management discussion & analysis, being the Management's Discussion & Analysis ("Annual MD&A") for the fiscal year ended February 28, 2017. This Interim MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A. The primary office of Eskay is located at The Canadian Venture Building, 82 Richmond Street East, Toronto, Ontario, M5C 1P1.

This Interim MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual financial statements for the years ended February 28, 2017 and February 29, 2016, together with the notes thereto, and unaudited condensed interim financial statements for the three and nine months ended November 30, 2017, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of January 26, 2018, unless otherwise indicated.

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

Further information about the Company and its operations can be obtained from the offices of the Company or on SEDAR at **www.sedar.com**.

Cautionary Note Regarding Forward-Looking Information

This Interim 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 Interim MD&A speak only as of the date of this Interim MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this Interim 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 \$20,000 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 November 30, 2017 is not anticipated to be sufficient to fund its operating expenses for the twelve months ending November 30, 2018. The Company expects to complete an equity financing. 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.

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

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

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. Strong equity markets are favourable conditions for completing a public merger, financing or acquisition transaction. Apart from these and the risk factors noted under the heading "Risk Factors", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

Outlook

For the immediate future, the Company plans to continue to search for financing, and once funds are raised, develop an exploration program for its projects. 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.

Operational Highlights

Corporate

- On April 26, 2017, the Company announced that it has signed an option agreement (the "Agreement") with SSR Mining Inc. (formerly Silver Standard Resources Inc.) ("SSR Mining") pursuant to which SSR Mining 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, SSR Mining will explore the SIB Property during a three-year option period. To earn a 51% undivided interest in the SIB Property from Eskay, SSR Mining 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, SSR Mining 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, SSR Mining 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.

- In March 2017, an aggregate of 2,000,000 warrants were exercised for gross proceeds of $300,000.

- On September 12, 2017, 250,000 stock options were exercised for gross proceeds of $37,500.

- On October 27, 2017, the Company announced that it retained Simon Learmouth to provide investor relations services for $3,000 per month for an initial 3 months and thereafter on a month-to-month basis. In addition, 100,000 options to purchase common shares of the Company at $0.35 per share for two years were granted to Mr. Learmouth with standard vesting terms.

Exploration update

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 subheading "Exploration update" under the heading "Operational Highlights" 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.

Summary of Completed Activities (Nine Months Ended November 30, 2017)	(A) Spent	Plans for the Project	(B) Planned Expenditures
Based on the Company's working capital deficit of $229,723 at November 30, 2017 (February 28, 2017 – working capital deficit of $526,834), the Company will have to raise equity capital in the remainder of fiscal 2017 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.	$85,000	(1) an update by nickel expert Peter Lightfoot on its Red Lightning zone, along with a subsequent re-evaluation of previously-collected stream sediment geochemical data from the immediate vicinity; (2) the identification through recent mapping of a Brucejack-style conceptual exploration target on its North Mitchell block; and (3) the initiation of an exploration-focused review of historical data from Eskay Mining's entire land package outside of the SIB property.	$50,000
Subtotals	**$85,000**		**$50,000**
Total (A+B)			**$135,000**

Note 1

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.

Red Lightning

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.

Immediately after the 2017 field season, highly-regarded geologist and magmatic Ni-Cu sulphide system expert Dr. Peter Lightfoot was contracted by the Company to carry out a review of previous work on Eskay's Red Lightning zone magmatic Ni-Cu-Co occurrence. Dr. Lightfoot, who was recently involved closely in Garibaldi Resources' recognition and exploration of the potential at the nearby E&L Ni-Cu-PGE- Au-Ag massive sulphide occurrence (20 km northwest), has confirmed that the mineralization at Red Lightning is indeed that of a magmatic nickel-copper sulphide system. And while the grades intersected to date are sub-economic (20.4 m at 0.79% Cu, 0.42% Ni and 0.08% Co, including 10 m at 1.03% Cu, 0.55% Ni and 0.10% Co [estimated true thicknesses of 10.8 m and 5.3 m, respectively]), the Ni-Cu system remains prospective.

The prospectivity evident at Red Lightning and nearby is also evident from a review of previous work in the belt by the Company. This work, which included stream sediment sampling and airborne geophysics, strongly suggests that Red Lightning should be viewed as just one small part of what is likely a much larger, 15 km long, relatively underexplored belt that likely includes other mafic-ultramafic bodies. The belt is outlined by anomalous Ni-Cu stream sediment geochemistry and airborne magnetic highs that may well run from the Red Lightning zone along a northwest trend toward Garibaldi's Ni-Cu prospects and the E&L Zone. It is clear from the figures and this data that the Red Lightning-E&L trend warrants follow-up exploration work focusing on Ni-Cu-PGE mineralization.

<u>North Mitchell block</u>

The Company's North Mitchell Block consists of six tenures comprising 1446 hectares that lies in "Elephant Country," less than 2 km east-southeast of Seabridge Gold's porphyry Au-Cu deposit, Iron Cap, and a similar distance across the Mitchell glacier from Pretium's Snowfield gold deposit. Recent mapping of the property has confirmed that the same stratigraphic units which host many of the occurrences on Pretium's Brucejack property track across and are preserved at North Mitchell. This is significant because many of the occurrences at Brucejack, which are aligned along a NNE trend that runs from south of the Valley of the Kings (Brucejack deposit) north at least as far as the Snowfield deposit, occur at, or near, a similar stratigraphic level within the Early Jurassic section. Along that trend, intrusive and host stratified rocks below that stratigraphic level are commonly much more altered than the rocks above. This is particularly so near discordant structures (faults) which cut the host rocks and appear to have acted as controls for mineralization and alteration along the trend, but commonly at high angles to it. As has been shown at Brucejack, these faults also appear to have acted as basin-bounding extensional structures during deposition of the Early Jurassic volcanic and associated clastic rocks. In the Sulphurets Camp, these discordant structures may also have been reactivated and locally inverted much later, during contractional deformation associated with development of Skeena fold belt in mid- Cretaceous time. Examples of such inverted structures in the Camp probably include the Sulphurets and Mitchell thrust faults, as well as folds at various scales, including the Valley of Kings syncline along the Brucejack trend, and folds and faults running sub- parallel to the trends of the Sulphurets and Mitchell thrusts.

On the North Mitchell Block direct evidence for the presence of a mineralizing system is restricted to locally pervasive quartz-sericite-pyrite (qsp) alteration at lower stratigraphic levels and locally associated veining that to date has only returned anomalous gold grades. Our mapping, however, has revealed good evidence on the property for the existence of a possible inverted Early Jurassic structure, and this structure is coincident with the most intense alteration. The structure is manifest as a (faulted) mid-Cretaceous fold with a northeasterly trending axial plane across which a gently to moderately northerly-dipping sequence of relatively thin but distinctive volcanic strata on the northwest correlates well with similar but steeply southeastly-dipping to slightly overturned strata on the east that appear to be part of a much thicker sequence than their correlatives to the west. The change in stratigraphic thickness of coeval strata across this strongly southeast-vergent structure may therefore mark the presence of an inverted syn-depositional Early Jurassic structure. Given its association with common qsp alteration of lower Hazelton Group rocks, and given its general spatial association with both the Brucejack trend and with the northeast trend marked by the Au-rich Cu porphyries at Kerr, Sulphurets, Mitchell, and Iron Cap on Seabridge's property (a trend which includes the emerging Au and Au-Cu systems still farther northeast on Tudor Gold's Treaty Creek property), this conceptual but blind target at North Mitchell is truly compelling.

The Company is considering a number of approaches to help refine targets for drilling at North Mitchell, including a Magnetotelluric Survey and further geologic mapping.

<u>Note 2</u>

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 January 26, 2016, Kirkland Lake Gold Inc. ("Kirkland Lake") announced it completed the acquisition of St. Andrew. St. Andrew is now a wholly-owned subsidiary of Kirkland Lake and continues to hold a 20% interest in the SIB Property.

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.

On April 26, 2017, the Company announced that it has signed the Agreement with SSR Mining pursuant to which SSR Mining may acquire up to a 60% undivided interest in part of Eskay's SIB Property, located in northwest British Columbia, Canada.

On July 7, 2017, the Company announced that diamond drilling at its 4,400 hectare SIB property is now underway. The current drill campaign is part of a three year program in which SSR Mining has committed to spend $3.7 million in the first year, and in which a total of between 6,000 and 9,000 meters of drilling is expected to be drilled using two drill rigs.

The SIB property drilling will target highly prospective precious metals-enriched VMS-style mineralization south along trend from Barrick's Eskay Creek mine, which was the world's richest volcanogenic massive sulphide (VMS) deposit in terms of precious metals grades - it produced 3.3 million ounces of gold and 159 million ounces of silver from 2.18 million tonnes of ore between 1994 and 2008, as previously reported by Barrick Gold Corporation ("Barrick").[1] The mineralization and resources previously reported for the Eskay Creek Mine are not necessarily indicative of the mineralization, if any, hosted on the Company's property. The 2017 drill campaign's relatively deep holes (average approximately 900 meters) will target Eskay-style mineralization beneath the Lulu zone, which in previous and generally shallow drilling returned intercepts ranging up to 14.4 g/t gold and 1,060 g/t silver across 14.3 meters, and 10.8 g/t gold and 766 g/t silver across 24.8 meters [2][3]. These high-grade intersections were of stratiform, Eskay-style sulphide-sulphosalt bearing mudstone occurring in close association with Eskay Creek rhyolite. Limited deep drilling by the Company in 2008 and 2010 indicate that similar volcanic and volcano-sedimentary host rocks, including the geochemically distinctive Eskay rhyolite, occur at depth beneath the Lulu zone, in the footwall of the Coulter Creek thrust fault, which truncates the Lulu zone at depth. Results from the Company's deep drilling conducted in 2008 included an intersection of 25.2 meters at a grade of 2.13 g/t gold, 4.0 g/t silver, 0.174% zinc and 0.124% lead [4] at 488 meters depth in the footwall to the thrust. The footwall stratigraphy, however, remains incompletely tested along what is a nearly 4 kilometer long trend, and this trend is the primary target of the program.

Eskay and SSR Mining plan to systematically drill-test the prospective volcanic package beneath the Coulter Creek fault by drilling widely-spaced, deeper holes from surface. This work will be supported by down-hole geophysics to detect proximal mineralization and by lithogeochemical sampling to map the distinctive alteration patterns common to VMS deposits.

On August 2, 2017, the Company announced that drilling at the SIB property is targeting a virtually unexplored part of the property beneath this fault, known as the Coulter Creek Thrust Fault ("CCFT"). The program's objectives are to locate the favorable host volcanic rocks beneath the CCFT, determine their lateral and vertical extent, and test for the presence of classic massive sulphide alteration and precious metal mineralization.

On October 19, 2017, the Company announced the completion of a 9,336 m, 12 hole diamond drill program on its SIB property. The drill program was designed to test for precious metals enriched massive sulphide mineralization and prospective lithologies beneath the CCTF, immediately south-southwest along strike from Barrick's past-producing Eskay Creek mine. The CCTF is a north-south trending, east dipping structure that separates Eskay rhyolite and interbedded sedimentary rocks of the Salmon River Formation to the east, from Bowser Lake Group sedimentary rocks to the west. Ten drill holes targeted CCTF footwall rocks, while two holes targeted a potential northern extension of known mineralization in the CCTF hanging wall (LULU Zone). Holes testing the CCTF footwall were drilled on 100-250 m centers over a strike length of approximately 1 km on a north-south trend. Hanging wall holes were drilled off a single pad approximately 150m to the northeast of the LULU Zone. Bore-Hole-Transient-Electro-Magnetic (BHTEM), IP, magnetic and optical televiewer surveys were performed upon the completion of drill holes.

Footnotes:

1. *BC Geological Survey MINFILE Database (http://minfile.gov.bc.ca/Summary.aspx?minfilno=104B++008).*
2. *McGuigan, P. J. (2002) Technical Report on the Eskay Properties of Heritage Explorations Ltd. And Glenfred Holdings Inc.*
3. *Rebagliati, C. M. et al (1991) Diamond Drill Report on the Sib 1-16, 20-39 and Polo 1-13 Claims.*
4. *McKinley, S. D. (2008) 2008 Exploration on the Eskay Property.*

Preliminary BHTEM interpretation has outlined a number of weak off-hole conductors, all located to the west of the drill holes by 25-100 metres. These are likely hosted by prospective rhyolitic or basaltic rocks of the Salmon River Formation. Details of each plate model are provided in Table 1.

All of the 2017 drillholes targeting the CCTF footwall intersected alteration consistent with footwall alteration in a volcanogenic massive sulphide (VMS) setting (variably intense chlorite-sericite alteration); local sulphide-bearing veins were also intersected in a number of holes. Assays from the 2017 drilling are suggestive of the presence of two styles of mineralization: 1) disseminated sulphides hosting anomalous pathfinder elements within carbonaceous mudstone; and 2) polymetallic sulphide veins, locally up to 10 cm thick, consisting of pyrite, pyrrhotite, sphalerite, galena, +/- chalcopyrite and arsenopyrite. The former style occurs in mudstone stratigraphically overlying rocks correlative with the Eskay Creek Mine footwall rhyolite, and it has a similar geochemical signature to mineralization observed along the fringes of stratiform ore bodies at the mine. The polymetallic veins are hosted within the Eskay-type footwall rhyolite. A list of drillhole highlights from the 2017 drill program is given in Table 2.

In addition to intersecting encouraging mineralization and extensive alteration, the 2017 drill program greatly improved the Company's geologic understanding of the CCTF and its footwall. The surface location of the fault and its sub-surface geometry are now constrained, and the drilling confirmed that the footwall stratigraphy bears strong similarities with rocks hosting the Eskay Creek deposits. There also appears to be an extensive area of altered Coulter Creek footwall rocks west and south of the area drilled in 2017 that are reachable with the drill. Therefore, there remains potential for Eskay-style discoveries at the SIB property, and target generation for the 2018 summer drill program at the property is currently underway. It will systematically test the extensive and favourable Eskay stratigraphy to the west and south of the 2017 drill area for precious metals enriched VMS mineralization.

Table 1: Drill Highlights and BHTEM Anomalies

Hole	Mineralization Highlights	Borehole EM Anomalies
EK17-144	672.49-674 m: quartz-carbonate veins with sericite altered envelopes; returned 2.25 g/t Au over 1.51 m. 685 – 688m: Intermittent pyrite veinlets, clots and disseminations; assayed 0.42 g/t Au.	Single plate (Dip Dir: 262, dip 66), 320 m down hole, off-hole 50 m to the SW.
EK17-149	386.88 - 410.08 m: Interval containing numerous polymetallic sulfide (pyrite, pyrrhotite, sphalerite, galena, +/- chalcopyrite and arsenopyrite) veins, up to 10 cm thick, accompanied by abundant stringers and disseminations of red to brown sphalerite in rhyolitic groundmass. Best results include 6 m of 2.7 g/t Ag, 192 ppm As, 279 ppm Pb, 4.4 ppm Sb and 1655 ppm Zn (including 1 m of 11.6 g/t Ag, 667 ppm As, 1110 ppm Pb, 7.42 ppm Sb and 4440 ppm Zn).	Single plate (Dip Dir: 337, dip 65), 305 m down hole, off-hole 90 m to the WSW.

EK17-142	891.3-894.3 m: Quartz veins with fine medium to fine grained pyrite; assayed 0.47 g/t Au	Single plate (Dip Dir: 293, dip 83), 420 m down hole, off-hole 100 m to the SW.
EK17-145	622.00-623.00 m: Interval of massive sulphide vein breccia returned 1.0 g/t silver, 1980 ppm As, 3.58 ppm Hg and 241 ppm Sb. Remainder of assays pending.	Three plates 1: (Dip Dir: 313, dip 65), 285 m down hole, off-hole 105 m to the WNW. 2: (Dip Dir: 308, dip 81), 365 m down hole, off- hole 45 m to the NW. 3: (Dip Dir: 313, dip 65), 414 m down hole, off hole 22 m to the NW.
EK17-147	327.00 - 328.49 m: Semi-massive molybdenite in tuffaceous matrix, and along cleavage planes. 337.63-341.01 m: interval of arsenopyrite rich fault gouge, with sparsely distributed coarse- grained red sphalerite within fault-bounding quartz veins. Assays pending.	Single plate (Dip Dir: 273, dip 71), 363 m down hole, off-hole 50 m to the S.
EK17-146	Assays Pending	No surveying completed
EK17-148	Assays Pending	Single plate (Dip Dir: 300, dip 61), 161 m down hole, off-hole 50 m to the WSW.
EK17-150	Assays Pending	Single plate (Dip Dir: 283, dip 65), 305 m down hole, off-hole 105 m to the NNW.
EK17-151	Assays Pending	Single plate (Dip Dir: 330, dip 65), 340 m down hole, off-hole 40 m to the SSW.
EK17-152	Assays Pending	No anomalies identified.
EK17-141	Assays received; No Significant Results	Single plate (Dip Dir: 115, dip 65), 370 m down hole, off-hole 50 m to the NW.
EK17-143	Assays received; No Significant Results	No anomalies identified.

Table 2: 2017 Drillhole Highlights

Hole	From (m)	To (m)	Length (m)	Au (g/t)	Ag (g/t)	Zn (%)	Pb (%)	As (ppm)	Sb (ppm)	Hg (ppm)
EK17-142	891.30	894.30	3.00	0.47	0.5	-	-	61	13	-
EK17-145	622.00	623.00	1.00	0.03	1.0	-	-	1980	241	3.58
EK17-146	221.00	223.00	2.00	0.30	1.5	0.02	-	352	57	-
EK17-147	337.63	339.19	1.56	0.02	0.3	0.04	0.01	972	89	-
EK17-148	132.30	135.30	3.00	0.02	5.2	0.04	-	3040	61	-
EK17-149	321.30	324.30	3.00	0.01	2.8	0.08	-	581	171	1.2
EK17-149	390.38	396.38	6.00	0.01	3.7	0.20	0.04	202	5	N/A
Incl.	395.38	396.38	1.00	0.03	11.6	0.44	0.11	667	7	N/A

N/A – Not analyzed

Current work is focused on finalizing geological interpretations, integrating the geochemical and geophysical data with the geology, and incorporating structural information from the optical televiewer downhole survey with the other data. The ultimate goal is to generate a 3D geological model of the drill area, and beyond, for continued targeting. Geochemical samples have been submitted to ALS Canada Ltd. (Minerals) ("ALS"), which is independent from the Company, with sample preparation carried out at the ALS facility in Terrace, BC, and assays at the North Vancouver laboratory. Results for the remainder of the program are expected midway through the fourth quarter, 2017.

Exploration-Focused Review of Historical Data

In late 2017, the Company also initiated a detailed review of all historical data collected from its extensive land package, which includes occurrences such as Red Lightning. This review, which differs from previous compilations in its more detailed scope, is intended to help focus field-based follow-up that will generate specific drill targets. That fieldwork will build on fieldwork undertaken in 2016 (See October 17, 2016 news release) and will likely consist of geological mapping, prospecting, geochemical sampling and local ground geophysical surveying, with drilling to follow, either later on in the 2018 field season, or in 2019. The compilation is being undertaken by geologists Andrew Mitchell, Neil Prowse, and Arron Albano, under the supervision of Charlie Greig of C.J. Greig & Associates Ltd., all of whom are familiar with the area and who were closely involved in the 2017 SIB property exploration program that was funded by SSR Mining Inc.

Deposits and Exploration Advances

As at November 30, 2017, the Company had $132,870 (February 28, 2017 - $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.

Financial Highlights

Financial Performance

Eskay's net loss totaled $129,307 for the three months ended November 30, 2017, with basic and diluted loss per share of $0.00. This compares with a net loss of $535,894 with basic and diluted loss per share of $0.01 for the three months ended November 30, 2016. The decrease in loss of $406,587 was principally because:

- The Company incurred a decrease in professional fees of $15,950 for the three months ended November 30, 2017, compared to the three months ended November 30, 2016. These costs were lower due to reduced need for professional services during the current period.

- During the three months ended November 30, 2017, management and consulting fees increased by $3,730 compared to the three months ended November 30, 2016 due to increased management fees paid to the Chief Executive Officer from a renegotiated management agreement during the current period.

- During the three months ended November 30, 2017, exploration and evaluation expenditures decreased by $2,207 compared to the three months ended November 30, 2016. These expenditures were marginally lower due to timing of expenditures on the SIB and Corey properties.

- The Company incurred a decrease in share-based payments of $370,838 for the three months ended November 30, 2017, compared to the three months ended November 30, 2016. The decrease is due to 100,000 stock options granted in the 2017 period compared to 1,900,000 stock options granted in the 2016 period. Share-based payments will vary from period to period depending upon the number of options granted and vested during a period and the fair value of the options calculated as at the grant date.

- All other expenses related to general working capital purposes.

The Company's total assets at November 30, 2017 were $315,194 (February 28, 2017 - $278,350) against total liabilities of $630,790 (February 28, 2017 - $889,546). The increase in total assets of $36,844 resulted from cash received from the private placement and exercise of warrants and stock options offset by cash spend on operating costs, exploration and evaluation expenditures and the payment of current liabilities. The Company does not have sufficient current assets to pay its existing liabilities of $630,790 at November 30, 2017.

Cash Flow

At November 30, 2017, the Company had cash of $160,245 compared to $113,696 at February 28, 2017. The increase in cash of $46,549 from the February 28, 2017 cash balance of $113,696 was as a result of cash inflow from financing activities of $630,750 and cash outflow in operating activities of $584,201. Operating activities were affected by adjustments for accretion of $1,511 and share-based payments of $4,602 and net change in non-cash working capital balances of $250,562 because of a decrease in amounts receivable of $13,918, an increase in prepaid expenses of $4,213, an increase in amounts payable and other liabilities of $45,556 and a decrease in amounts due to related parties of $305,823. Financing activities provided cash of $630,750 from the proceeds of the private placement in the amount of $300,000 offset by share issue costs of $6,750 and proceeds from the exercise of warrants and options in the amount of $337,500.

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 November 30, 2017, the Company had a working capital deficiency of $229,723 (February 28, 2017 – $526,834).

As at November 30, 2017, the Company has no debt. 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.

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 $20,000 to $30,000 per month for recurring operating costs. The Company will also continue to evaluate its projects.

During the nine months ended November 30, 2017, the Company executed an option agreement with SSR Mining. The Company assigned a $100,000 budget for its projects, of which $50,000 is still remaining as at November 30, 2017.

The Company is not anticipated to have sufficient cash to fund its operating expenses for the twelve months ended November 30, 2018. 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.

Pursuant to the terms of flow-through share agreement, the Company is in the process of complying with its flow-through contractual obligations to subscribers with respect to the Income Tax Act (Canada) requirements for flow-through shares. As of November 30, 2017, the Company has spent all Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) arising from the flow-through offerings.

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

Transactions with Related Parties

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	**Three Months Ended November 30, 2017 $**	**Three Months Ended November 30, 2016 $**
Hugh M. Balkam (1)	9,000	9,000
Balkam Partners Ltd. (2)	27,000	21,000
Marrelli Support Services Inc. (3)	5,606	5,594
Total	**41,606**	**35,594**

Management and Consulting Fees	**Nine Months Ended November 30, 2017 $**	**Nine Months Ended November 30, 2016 $**
Hugh M. Balkam (1)	27,000	27,000
Balkam Partners Ltd. (2)	81,000	63,000
Marrelli Support Services Inc. (3)	16,397	16,766
Total	**124,397**	**106,766**

Professional Fees	**Three Months Ended November 30, 2017 $**	**Three Months Ended November 30, 2016 $**
Marrelli Support Services Inc. (4)	6,782	7,010
Gardiner Roberts LLP (6)	9,578	26,546
Total	**16,360**	**33,556**

Professional Fees	**Nine Months Ended November 30, 2017 $**	**Nine Months Ended November 30, 2016 $**
Marrelli Support Services Inc. (4)	19,104	19,479
Gardiner Roberts LLP (6)	52,852	59,645
Total	**71,956**	**79,124**

(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 November 30, 2017, Balkam Partners Ltd. and Hugh M. Balkam were owed $250,000 (February 28, 2017 - $250,000) 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 November 30, 2017, the Company owed Marrelli Support Services Inc. $2,983 (February 28, 2017 - $98,826).

(5) As at November 30, 2017, Hugh M. Balkam, an officer of the Company, was owed $46,500 (February 28, 2017 - $121,500) with respect to interest accrued on a loan advanced to the Company. The original loan of $75,000 was repaid during the nine months ended November 30, 2017.

(6) Professional fees and disbursements charged by Gardiner Roberts LLP, 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 November 30, 2017, Gardiner Roberts LLP is owed $5,543 (February 28, 2017 - $140,524) and this amount is included in amounts due to related parties.

(7) On March 23, 2017, Hugh M. (Mac) Balkam and Gordon McMehen exercised an aggregate of 1,000,000 warrants at $0.15 per share.

To the knowledge of the directors and senior officers of the Company, as at November 30, 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 other than Mr. Hugh M. (Mac) Balkam, the President, Chief Executive Officer ("CEO") and a Director of the Company, who owns or controls, directly or indirectly, 11.21% of the issued and outstanding shares of the Company. These stockholdings can change at any time at the discretion of the owner. As at November 30, 2017, directors and officers of the Company control an aggregate of 18,819,763 common shares of the Company or approximately 17.32% 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. Other than Mr. Hugh M. (Mac) Balkam, the President, CEO and a Director of the Company, who owns or controls, directly or indirectly, 11.21% of the issued and outstanding shares of the Company, the Company is not directly or indirectly owned or controlled by another corporation, by any government or by any natural or legal person severally or jointly.

Risk Factors

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their 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. Please refer to the section entitled "Risks and Uncertainties" in the Company's Annual MD&A for the fiscal year ended February 28, 2017, available on SEDAR at **www.sedar.com**.

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 unaudited condensed interim 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 unaudited condensed interim financial statements; and (ii) the unaudited condensed interim financial statements fairly present in all material respects the financial condition, financial performance and cash flows 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 filed by the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

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

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of unaudited condensed interim financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such 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.

Subsequent events

Subsequent to November 30, 2017, 1,100,000 stock options with an exercise price of $0.15 and expiry date of January 25, 2018 were exercised for gross proceeds of $165,000. In addition, 250,000 stock options with an exercise price of $0.10 and expiry date of April 10, 2019 were exercised for gross proceeds of $25,000.

On January 22, 2018, the Company announced that SSR Mining Inc. has elected to proceed with the second year of a three year option agreement with the Company on the SIB property. SSR Mining may earn an undivided 51% interest by spending an aggregate of $11.7 million in exploration expenditures over the term of the agreement. SSR Mining may earn a further 9% undivided interest for an aggregate 60% undivided interest by delivering either a preliminary economic assessment or completing an aggregate of 23,000 meters of diamond drilling.