

MANAGEMENT DISCUSSION & ANALYSIS FOR THE THREE AND NINE MONTHS ENDED NOVEMBER 30, 2017

Corporate Information

Klondike Gold Corp. (“Klondike Gold” or the “Company”) is a Canadian listed public company with its shares traded on the TSX Venture Exchange under the symbol “KG” and the Frankfurt Stock Exchange under the symbol “LBDP”.

The Company is a resource exploration stage company engaged in the acquisition and exploration of mineral properties. For the funding of property acquisitions and exploration that the Company conducts, the Company depends on the issuance of shares from the treasury to investors and does not use long term debt. The Company currently holds exploration properties in Canada, with a focus on the Yukon Territory. For more information, please refer to the Properties sections.

Additional information relating to the Company can be found on SEDAR at www.sedar.com and also on the Company’s website at www.klondikegoldcorp.com.

Management Discussion and Analysis

This Management Discussion and Analysis (“MD&A”) should be read in conjunction with the unaudited condensed interim consolidated financial statements of the Company for the three and nine months ended November 30, 2017.

The Company’s consolidated financial statements have been prepared on a going concern basis, which presume the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. While the Company is extending its best efforts in this regard, the outcome of these matters cannot be predicted at this time. The accompanying audited annual consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

This MD&A has been prepared as of January 26, 2018. All amounts are expressed in Canadian dollars unless otherwise stated.

Forward Looking Information

This MD&A includes some statements that may be considered “forward-looking statements”. All statements in this discussion that address the Company’s expectations about future exploration and development are forward-looking statements. Although the Company believes the expectations presented in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploration successes, availability of capital and financing, and general economic, market, and business conditions. Readers are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

YUKON PROPERTIES

Yukon Klondike District Project

Ownership	Property	Property Type	Number of Claims	Area (sq. km)	Royalty
Klondike Gold	Klondike Project	Claims	1692	310	
Klondike Gold	Klondike Project	Crown Grants	14	2	
Klondike Gold	Klondike Project	Claims-Gimlex	1230	244	2%
Klondike Gold	Klondike Project	Claims-Burkhard	6	1.2	2%
TOTAL CLAIMS			2942	557.2	
Klondike Gold	Placer	Indian River	239	13.4	5%
Klondike Gold	Placer	Eldorado Creek	114	6.8	
TOTAL PLACERS			353	20.2	

Klondike District Project

The Klondike District Project is comprised of former individually named property areas including Lone Star, Bonanza, Dominion, Gold Run, Sulphur Creek, and Washington Creek. Following the acquisition of 1,125 quartz claims from Gimlex Enterprises Ltd. (“Gimlex”) (see News Release dated 8 August 2016), all of the Company’s quartz properties are contiguous and span the Klondike District, so the individual property names are not relevant. The table above reflects the combined district holdings, both quartz and placer, and is differentiated now by whether or not the claim holding is encumbered by a royalty payable. All of the quartz claims will remain in good standing at least until 2023 without further expenditure.

Summary of Exploration on the Klondike District Project

The Company’s exploration of the Klondike District Project to date supports an orogenic gold deposit model of mineralization with direct similarities including age and veining style to the nearby Golden Saddle deposit discovered by Underworld Resources and acquired by Kinross Gold in 2011 for \$140 million. The acquisition by Goldcorp Inc. for its Coffee Gold Project in 2016 has renewed interest in the gold potential of the region, as have exploration joint ventures by Newmont, Barrick, and Agnico Eagle with nearby junior explorers.

The Company completed 70 holes in 2017 totalling 8,620 meters collected, following 80 diamond drill holes in 2015 and 2016 testing a variety of targets for a total in those years of 6,734 meters collected. The average actual cost per meter drilled in 2017, including the heavy equipment required for moves and pad leveling, is \$120 per meter compared with \$105 per meter previously. Incrementally higher meterage cost in 2017 reflects deeper holes and additional drill pad preparation versus prior years. The extremely low cost per meter compared to other Yukon, or Canadian, or international rates is due to the proximity of the Klondike District Project to Dawson (20 km) and the network of government maintained mining roads that transect the Klondike District Project. In September 2017, the Yukon government and the federal government announced over \$360 million in combined federal and territorial funding to improve road access in two mineral-rich areas: the Dawson Range in central Yukon and the Nahanni Range Road in southeastern Yukon. The Dawson Range project includes all the resource access roads with the Company’s Klondike District Project. This construction to upgrade roads through the project, when completed, will improve the Company’s access and lower operating costs.

In 2015 and 2016, the Company discovered economically interesting grades of gold mineralization over interesting widths at Gay Gulch (75.6 g/t Au over 2.8 meters) and Nugget (5.1 g/t Au over 14.3 meters). At Lone Star drill results from 17 holes (see News Release dated January 19, 2017) showed gold mineralization over a 700 meter strike length starting from surface, including one of up to 2.4 g/t gold over 37.0 meters. The Lone Star target was identified by this drilling to contain disseminated gold mineralization with characteristics of wide widths, lower grades, starting at surface. There has been limited previous recognition or documentation of disseminated gold in the Klondike district, versus the more obvious gold-in-quartz veining which has been the primary focus of exploration since 1896. The Company conjecturally interprets the gold endowment of the Klondike placer gold fields to be primarily derived locally from disseminated gold bedrock sources within the Klondike schist with a minority component derived from quartz veining.

In 2017 the exploration program focussed on the Lone Star target area with a small component of property-wide reconnaissance. The Klondike property remains under-explored but has considerable alluvial placer gold production which has been shown in the Bonanza Creek area to be directly derived locally from the rocks of the Klondike District. The Company's objective in the period 2015 to 2017 of demonstrating in-place bedrock gold mineralization, as the source(s) for the historic rich Klondike placer production, has been achieved in multiple locations within the Klondike District and provides the potential for resource discovery going forward.

Desk top interpretation in 2014 identified a previously unrecognized fault system cutting the Klondike schist through the Company's Klondike property. From 2017 field work, gold mineralization within the Klondike property is now considered to be preferentially hosted or controlled by second-order "D4" high angle faults (the "Bonanza", "Nugget", "Eldorado", and "Irish" Faults identified to date) located above a regionally significant first-order low angle thrust fault (the "Rabbit Creek Thrust"). The Rabbit Creek Thrust is the major fault identified in the desktop study. Initial evidence from 2017 suggests that this fault, with the associated parallel 2nd order faults named above, all cut the Klondike schist within the Company's property along a 55 km strike length from Eldorado Creek in the west to Dominion Creek in the east.

LONE STAR TARGET RESULTS

The Lone Star target, associated with the Bonanza Fault, was the main focus of 2017 exploration.

The Lone Star target is a broad 300 by 400 meter area of historical trenching and mostly reverse circulation drilling surrounding the Klondike-era Lone Star mine (c.1910-1912). In September 2016, a review of results from a PhD thesis (Matt Grimshaw, Leeds University) indicated definitive evidence for the presence of disseminated gold mineralization in the Lone Star gold-mineralized corridor, in addition to the gold-bearing quartz vein arrays also present.

The Company completed a detailed soil sampling survey (see News Release dated 16 August 2017) conducted across the Lone Star target. Approximately 1,185 samples were collected on 100-meter spaced lines at 50 meter spacings testing a strike length of 4,000 meters. Results show a strong, continuous and contourable gold-in-soil anomaly across the entire 4,000 meter length of the survey, open in both directions. The core of the soil anomaly, a contourable range between 75 ppb to 2,891 ppb gold in soils, extends 2,000 meters, is open to the east, and is directly coincident with the drilled 800 meter long outcropping gold mineralization at the Lone Star target.

A total of 17 drill holes tested the Lone Star target in 2016 (see News Release dated 28 September 2016). Visible gold, both with quartz veins and disseminated in the host "laminated schist" were intersected

over the 700-meter length starting at surface suggesting continuity to a potential gold-enriched zone. The gold-bearing laminated schist has subtle carbonate alteration and disseminated pyrite. Gold is commonly visible and occurs as disseminations of free grains within the schist and mantling pyrite. The gold-bearing schist is in fault contact with felsic schist across the 'Bonanza Fault'. Gold is also found within gold-bearing quartz veins along the contacts between the two units.

The following lists drill hole results from the 2017 exploration program at the Lone Star target area. The true width of mineralization is generally estimated as the interval within each hole, however this is an estimate and further drilling would provide greater certainty, as is usual. The Company's 2016 and 2017 Lone Star target drill program is systematically testing a new interpretation of geology and continuity of mineralization that has upgraded the potential for economically interesting gold mineralization both at Lone Star and throughout the Company's 557 square kilometer Klondike District project.

The 2017 season's three-fold objective at Lone Star target was: to infill to provide sufficient density of drilling (at 50 meter spacing) to correlate mineralization between sections; to extend the mineralization to the east and west towards the mineralized zones at the O'Neil and Pioneer areas; and then to do reconnaissance step-outs beyond the O'Neil and Pioneer areas.

Previously, the Company has announced drill intersections of gold mineralization at the Lone Star target of 1,600 meters in strike length (see News Release dated 18 September 2017) including from large step outs to the east in the O'Neil area (LS17-98 on L11200E) and to the west in the Pioneer area (LS17-95 on L12800E).

The Lone Star target currently encompasses three areas: Lone Star in the centre, O'Neil to the west, and Pioneer to the east, across a total length so far of approximately four kilometers of drill testing in proximity to the Bonanza Fault (see News Release dated 10 January 2018). This news release describes assay results from 50-meter spaced drilling across a length of approximately 1,000 meters at the Lone Star target area. (Drilling at the O'Neil and Pioneer targets, considered to be regional extensions of the Lone Star target mineralization will be discussed in a follow-up news release.)

Drilling at the Lone Star target has revealed three parallel gold mineralized sub-zones, termed Alpha, Beta and Gamma, located above (in the hanging wall) and adjacent to the Bonanza Fault.

These sub-zones are spaced about 50 meters apart across a 130 meter lateral width (including the intervening unmineralized material). Individually each of the three sub-zones are from 10 meters up to 40 meters in width as defined by gold assays in drill core. All mineralization is interpreted to strike north-northwest and dip 50 degrees to the north-northeast. Drill core intersections are interpreted to be approximately true width but more detailed work, including interpretation of drill sections, is ongoing to verify this in all cases.

The following is a table of Lone Star target Alpha/Beta/Gamma drill results. Note this table includes ALL results from 2016 and 2017 to define the complete 50-meter spaced drilling program. Results are organized by Section from west to east. The 'Au (g/t)' column is the weighted average of all gold values in grams per metric tonne through the 'Interval' indicated. GxW information is redacted. All 'From', 'To', and 'Interval' values are rounded to one decimal and may not add exactly. Hole ID's with an asterisk are most results released (see News Release dated 10 January 2018).

TABLE OF LONE STAR TARGET, ALPHA/BETA/GAMMA SUB-ZONE DRILL RESULTS:

Section	Hole ID	From (m)	To (m)	Au g/t	Interval (m)	Zone
11600E	LS17-139*	3.8	19.8	0.6	16.0	Alpha
11650E	LS17-107*		No Significant Results			Alpha
	LS17-100*	3.5	8.5	0.8	5.0	Alpha
	LS17-101	34.0	51.5	0.5	17.5	Alpha
11675E	LS17-106	10.0	39.0	1.0	29.0	Alpha
	LS17-81	5.5	46.6	2.1	41.1	Alpha
	LS17-102*		No Significant Results			Alpha
	LS17-105*		No Significant Results			Alpha
11725E	LS17-82	10.4	51.3	2.4	40.9	Alpha
	LS16-58	6.5	43.5	2.4	37.0	Alpha
	LS16-60		No Significant Results			Alpha
	LS17-103*	14.2	17.9	1.6	3.7	Alpha
11775E	and	35.0	37.6	1.5	2.6	Alpha
	LS16-59	16.5	44.2	1.2	27.7	Alpha
11800E	LS16-61		No Significant Results			Alpha
11825E	LS17-104*	41.4	55.1	0.5	13.7	Beta
	LS17-83	16.3	49.0	0.8	32.8	Alpha
11875E	LS17-84	34.0	44.4	1.2	10.4	Alpha
11925E	LS16-62	5.5	10.5	1.7	5.0	Alpha
	LS16-69	4.9	16.9	0.9	12.0	Beta
	incl.	4.9	13.1	1.0	8.2	Beta
	and	88.7	98.6	2.5	9.9	Alpha
11975E	LS16-70	8.3	16.9	1.6	8.6	Beta
	and	68.0	79.3	3.5	11.3	Beta
	incl.	74.5	79.3	7.9	4.7	Beta
	LS16-63	3.1	45.0	0.9	42.0	Alpha
	LS16-67	45.8	48.8	1.0	3.0	Beta
	and	87.5	92.0	1.6	4.5	Alpha
	LS16-68	33.0	37.0	4.7	4.0	Beta
12020E	and	57.0	60.0	0.7	3.0	Beta
	and	67.0	81.0	1.2	14.0	Beta
	LS16-64	29.5	54.0	1.5	24.5	Alpha
	LS16-65	26.2	32.2	2.7	6.0	Alpha
12050E	LS16-66	12.8	25.0	0.5	12.2	Beta
	and	81.0	89.0	1.6	8.0	Alpha
12065E	LS17-108	12.8	66.1	0.7	53.3	Alpha
	incl.	12.8	38.4	0.9	23.1	Alpha
12090E	LS17-85	0.0	27.4	0.6	27.4	Beta
12090E	LS17-86	3.2	25.3	0.8	22.1	Beta
12100E	LS17-109	21.5	28.7	0.9	7.2	Alpha

12150E	LS17-87	1.5	18.0	0.7	16.5	Beta
	LS17-88	6.5	20.3	0.4	13.8	Beta
	LS17-89	22.6	37.6	1.1	15.0	Beta
12175E	LS17-90	2.8	9.6	2.2	6.8	Beta
	and	26.6	38.8	1.7	12.3	Beta
	LS17-115*		No Significant Results			Alpha
12250E	LS17-91	4.3	35.0	1.6	30.7	Beta
12300E	LS17-92*	12.2	47.9	0.3	35.7	Beta
	LS17-114*	10.0	43.5	0.5	33.5	Alpha
	LS17-111*		No Significant Results			
12325E	LS16-74	59.0	63.0	1.5	4.0	
	LS17-113*	35.4	73.0	0.6	37.5	Beta
	LS17-120*	67.3	90.0	0.5	22.7	Alpha
12375E	LS17-110*	130.3	182.0	0.3	51.7	Gamma
	LS17-112*		No Significant Results			Beta
12400E	LS17-121*	22.0	61.0	0.5	39.0	
	LS17-125*	42.5	57.0	0.3	14.6	Alpha
12425E	LS17-94*	26.2	42.5	0.6	16.3	Gamma
	LS17-93*	18.0	45.8	0.4	27.8	Gamma
12575E	and	98.2	119.6	0.2	21.4	Beta
	LS16-71	38.3	51.0	0.5	12.7	Beta
	LS16-72		No Significant Results			Beta
12500E	LS16-73		No Significant Results			Gamma
12550E	LS17-117*	112.1	128.0	0.5	15.9	Beta
	LS17-124*	65.2	86.5	1.0	21.3	Alpha
12600E	LS17-122*	78.5	97.6	0.6	19.2	Beta

OTHER DISTRICT WORK:

The Company completed 35 line kilometers of “3D IP” chargeability and resistivity data (see News Release dated 27 July 2017) surveying across the Lone Star target. Preliminary modelling of the survey data shows chargeability and resistivity features which are helping to define drill targets and refine the Lone Star geological model.

A broader survey of approximately 4,900 soil samples were collected to complete a property-spanning first pass ridge and spur sampling program (see News Release dated 27 July 2017). Anomalous gold-in-soil results will be targeted for follow-up in 2018.

A detailed ground magnetics and VLF-EM survey was completed late in 2017 covering approximately 250 line kilometers which attempted to trace the Bonanza Fault and Rabbit Creek Thrust along strike to the southwest (see News Release dated 2 November 2017). Results have been received and are being evaluated.

NUGGET ZONE RESULTS

The Nugget Zone target is comprised of quartz veining hosted by competent mafic schist associated with a significant (magnetic “break”) “D4” fault interpreted to have a strike length of up to 8 kilometers. Drilling at Nugget Zone in 2015 and 2016 has intersected near-surface gold-bearing quartz veining over a strike length of 225 meters.

In 2015, drill hole EC15-03 intersected near-surface mineralization averaging 5.3 g/t Au over 7.6 meters starting at 4.4 meters downhole (see News Release dated 15 October 2015). In 2016, EC16-32 intersected visible gold-bearing quartz veins averaging 5.1 g/t Au over 14.34 meters from 3.55 meters downhole starting at the bedrock surface (see News Release dated 25 August 2016, representing the best result to date from the Nugget Zone.

In 2017, the Company recognized the significant magnetic break associated with the Nugget Zone extends approximately 6 kilometers, parallel to the Bonanza Fault associated with the Lone Star target. In 2017 five holes tested up to 2.2 kilometers of strike length along the Nugget Fault with all assays pending.

PROPERTY ACQUISITIONS

Burkhard Purchase

On September 28, 2017 the Company entered into a Property Acquisition Agreement with Sylvia Burkhard (“Burkhard”) for the purchase by Klondike Gold Corp. of a 100% interest in Burkhard’s 6 mining claims covering 122.6 hectares located in the Dawson mining district, Yukon Territory for consideration of \$20,000. The Company has granted to Burkhard a 2% Net Smelter Returns (“NSR”) Royalty in respect of the Burkhard property, of which the Company may purchase one-half of the NSR Royalty (being a 1% NSR Royalty) for cash in the amount of \$1,000,000 at any time.

Gimlex Purchase

On August 8, 2016, the Company announced that it entered into a Property Acquisition Agreement (the “Agreement”) with Gimlex for the purchase by Klondike Gold Corp. of a 100% interest in Gimlex’s 1,125 mining claims covering 223 square kilometers located in the Dawson mining district, Yukon Territory. Gimlex Enterprises Ltd. is a privately owned Dawson area exploration and mining business operated by the Christie family since 1984.

Upon completion of this transaction, Klondike Gold Corp. effectively doubled its land position covering the prospective Klondike goldfields district with direct ownership of a current total of 2,942 quartz claims forming one 50 km long district-scale continuous property covering 557 square kilometers area.

In return for the acquisition by the Company of a 100% interest in the Gimlex mining claims plus 24 years of exploration data, the terms of the Agreement are as follows:

- Payment of \$500,000 in cash to Gimlex (completed).
- Issuance to Gimlex of 3,000,000 common shares of the Company. The 3,000,000 common shares were valued at \$0.40 per share, for total consideration of \$1,200,000 (completed).

- Granting to Gimlex of a 2% Net Smelter Returns (“NSR”) Royalty in respect of the Gimlex property, of which the Company may purchase one-half of the NSR Royalty (being a 1% NSR Royalty) from Gimlex for cash in the amount of \$1,500,000 at any time.

ELDORADO CREEK PLACER PROJECT

No work has been conducted on the Eldorado Creek placer in 2017.

MONTANA CREEK PLACER PROJECT

The Montana Creek placer project is located 35 km south of Dawson City within the southern boundary of the Klondike Gold Fields. Approximately 60% of the Montana Creek property has been tested by 350 auger drill holes between 2005 and 2015 to locate and delineate White Channel Gravel ‘pay streaks’. Gold was recovered from nearly 100% of the holes in the main target area. Drill results indicate gold-bearing gravels extend over a distance of more than three km (1.9 miles) and remain open for expansion to the east and south. The Montana Creek property is available for sale privately.

In early 2017 the Company applied to renew mining extraction permits for 5 years, with the decision document still pending a decision at this time.

The Company received royalties from gold production on the Indian River property of \$216,341 in 2014 and \$526,994 in 2015, from a total production in those years of 4,300 ounces of gold.

BRITISH COLUMBIA PROPERTIES

During the year ended February 28, 2017, the Company entered into a property purchase agreement (the “PPA”) with Rise Gold Corp (formerly Rise Resources Inc.) (“Rise”) for the acquisition by Rise of 100% of a portfolio of certain of the Company’s B.C. properties.

The Company received an initial payment from Rise of \$50,000 in cash, 1,500,000 Rise shares, and 1,500,000 Rise warrants, exercisable at a price of \$0.227 per share until July 2018.

Rise subsequently determined they would focus business efforts on gold projects in the United States. In July 2017 the Company accepted \$100,000 in cash and the return of the B.C. properties in exchange for cancelling the purchase and sale agreement with Rise, including the July 2017 obligations. Rise does not retain any interest in the B.C. properties.

The Company recently in October 2017 completed mapping and sampling programs on the Red Point and Ron Gold properties. Results from this program are pending at this time. The costs of the exploration work is included in the statement of net loss and comprehensive loss for the period ended November 30, 2017, as the Company is still evaluating its future plans for these properties.

The following table sets forth the British Columbia properties held by the Company.

British Columbia Properties (Table)

Ownership	Property	Number of Claims	Area (sq. km)
Klondike Gold Corp.	Thea	1	11.2
Klondike Gold Corp.	Quartz Mountain	58	23.6
Klondike Gold Corp.	Clubine	5	2.3
Klondike Gold Corp.	Cruz-Midway	36	16.2
Klondike Gold Corp.	Hughes Range	6	4.1
Klondike Gold Corp.	Red Point	9	32.6
Klondike Gold Corp.	Ron Gold	29	11.7
TOTAL CLAIMS		144	101.7

Overall Financial Performance

Results from Operations and Corporate Updates

As at November 30, 2017, a total of \$14.75 million was held in exploration and evaluation assets (February 28, 2017 - \$11.61 million), which was mostly invested in the Yukon. Total assets increased to \$22.05 million (February 28, 2017 - \$13.56 million), primarily as a result of an increase in cash on hand of \$9.9 million from financing activities during the period, and \$3.0 million in exploration and evaluation asset expenditures.

During the nine months ended November 30, 2017, the Company raised \$6.6 million from private placements and \$3.29 million from the exercise of options and warrants. Working capital as at November 30, 2017, was \$6,607,300, as compared with \$931,850 as at February 28, 2017, due primarily to an increase in cash on hand from the financings during the period.

Private placement closed August 2017

The Company issued 9,824,774 flow-through units at a price of \$0.34 per unit for gross proceeds of \$3,340,423. Each flow-through unit consists of flow-through share and one half of a warrant. Each whole warrant entitles the holder to purchase one common share at an exercise price of \$0.45 per common share until August 2019.

The Company concurrently issued 5,722,680 non flow-through units at a price of \$0.29 for gross proceeds of \$1,659,577, which has been allocated to share capital. Each non flow-through unit consists of one common share and one half of a warrant. Each whole warrant entitles the holder to purchase one common share at an exercise price of \$0.40 per common share until August 23, 2019.

Cash transaction costs of \$379,315 were incurred as share issuance costs and 701,039 warrants were issued as finders fees in relation to this private placement. Each finders warrant entitles the holder to purchase one common share at an exercise price of \$0.34 per common share until August 2019.

Private placement closed April 2017

The Company issued 10,000,000 flow-through units at a price of \$0.20 per unit for gross proceeds of \$2,000,000. Each flow-through unit consists of one flow-through share and one warrant. Each warrant entitles the holder to purchase one common share at an exercise price of \$0.30 per common share until

April 4, 2020. Cash transaction costs of \$32,229 were incurred as share issuance costs in relation to this private placement.

Three months ended November 30, 2017 and 2016

The Company's net loss for the three months ended November 30, 2017, was \$397,348, up from \$181,430 for the three months ended November 30, 2016. The majority of the increase in net loss for the three months ended November 30, 2017, related primarily to management fees and wages of \$221,259 (November 30, 2016 - \$37,218) due to an increase in employees.

Nine months ended November 30, 2017 and 2016

The Company's net loss for the nine months ended November 30, 2017, was \$1,511,697, up from \$549,374 for the nine months ended November 30, 2016. The majority of the increase in loss for the nine months ended November 30, 2017, related primarily to management fees and wages of \$449,461 (November 30, 2016 - \$141,050) due to an increase in employees and marketing expense of \$375,940 (November 30, 2016 - \$nil) due to increased shareholder communication service costs.

Summary of Quarterly Results

Quarter Ended

	Nov 30, 2017	Aug 31, 2017	May 31, 2017	Feb 28, 2017
	\$	\$	\$	\$
Revenue	-	-	-	-
Net Income (Loss)	(397,348)	(594,677)	(519,672)	(210,917)
Net Income (Loss) Per Share	(0.00)	(0.01)	(0.01)	(0.00)

	Nov 30, 2016	Aug 31, 2016	May 31, 2016	Feb 29, 2016
	\$	\$	\$	\$
Revenue	-	-	-	-
Net Income (Loss)	(181,430)	(37,949)	(329,995)	(178,085)
Net Income (Loss) Per Share	(0.00)	(0.00)	(0.01)	(0.00)

Other loss for the quarter ended February 28, 2017, includes \$68,210 related to the purchase of Klondike Star shares. Other income for the quarter ended August 31, 2016, includes \$305,000 related to the PPA with Rise. Included in net loss for the quarters ended May 31, 2017, February 28, 2017 and November 30, August 31, and May 31, 2016, was share-based compensation of \$283,910, \$41,401, \$68,509, \$154,249, and \$147,837, respectively.

Financial Liquidity and Capital Resources

Working Capital

The Company had working capital of \$6,607,300 at November 30, 2017, compared to working capital of \$931,850 as at February 28, 2017. The Company's cash position at November 30, 2017, was \$6,739,884 and at February 28, 2017, was \$990,492.

During the nine months ended November 30, 2017, the Company's cash increased by \$5,749,392. Cash provided by financing activities included \$6,620,685 received on the issuance of shares, net of share issuance costs, \$145,120 in proceeds from the exercise of options, and \$3,142,392 in proceeds from the exercise of warrants. Cash used in investing activities included \$2,986,112 used to fund exploration and evaluation expenditures, \$40,500 on the purchase of vehicles, and \$20,000 on the acquisition of the Burkhard claims, partially offset by \$349,210 in sales of available-for-sale investments. Cash used in operating activities totaled \$1,461,403 (November 30, 2016 - \$578,904).

Transactions with Related Parties

The Company entered into the following transactions and had the following balances payable with related parties. Balances outstanding are non-interest bearing, unsecured and have no specific terms of repayment.

- a) During the nine months ended November 30, 2017, the Company was charged management fees of \$203,500 (November 30, 2016 – \$103,500) by a company owned by the CEO of the Company.
- b) During the nine months ended November 30, 2017, the Company was charged \$160,000 (November 30, 2016 – \$160,336), \$70,000 (2016 - \$28,706) of which was share issue costs, by a company whose CEO is a director of the Company, for corporate administration services included in consulting on the statement of net loss and comprehensive loss.

Key Management Compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Included in share-based compensation for the nine months ended November 30, 2017, was \$202,793 for vested stock options granted to directors and officers of the Company, and affiliated companies of directors and officers of the Company (November 30, 2016 - \$307,033).

New Accounting Standards and Interpretations

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 9 - Financial Instruments was issued in November 2009 and covers the classification and measurement of financial assets as part of its project to replace IAS 39 - Financial Instruments: Recognition and

Measurement. In October 2010, the requirements for classifying and measuring financial liabilities were added to IFRS 9. Under this guidance, entities have the option to recognize financial liabilities at fair value through earnings. If this option is elected, entities would be required to reverse the portion of the fair value change due to own credit risk out of earnings and recognize the change in other comprehensive income. IFRS 9 is applicable for periods beginning on or after January 1, 2018. The Company has not yet assessed the impact of the standard or determined whether it will adopt the standard early.

IFRS 16 - Leases applies to lessees, requiring the recognition of assets and liabilities for most leases and eliminates the distinction between operating and financing leases, effective for annual periods beginning on or after January 1, 2019.

IFRS 7 - Amended to require additional disclosures on transition from IAS 39 and IFRS 9, effective for annual periods beginning on or after January 1, 2018.

The Company anticipates that the application of the above new and revised standards, amendments and interpretations will have no material impact on its results and financial position.

Financial Instruments and Other Instruments

Financial assets and financial liabilities are measured on an ongoing basis at fair value or amortized cost. The disclosures in the notes to these financial statements describe how the categories of financial instruments are measured and how income and expenses, including fair value gains and losses, are recognized.

Financial Instrument Classifications

The Company has classified cash and cash equivalents and restricted cash as fair value through profit or loss financial assets. Available-for-sale investments are classified as available for sale. Amounts receivable, and reclamation bonds are classified as loans and receivables. Trade and other payables, and due to related parties are classified as other financial liabilities. Management did not identify any material embedded derivatives, which require separate recognition and measurement.

The fair values of the Company's reclamation bonds, amounts receivable, trade and other payables, and due to related parties approximate their carrying value, due to their short-term maturities. The Company's cash and cash equivalents, restricted cash, and available-for-sale investments are measured at fair value using Level 1 inputs.

As at November 30, 2017, the Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk is attributable to cash and cash equivalents and amounts receivable. Cash and cash equivalents are held with large Canadian banks. Management believes the risk of loss to be remote. The Company's amounts receivable is primarily comprised of amounts owing from the Government of Canada for input tax credits receivable. Accordingly, the Company does not believe it is subject to significant credit risk.

Liquidity risk

The liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages its liquidity risk through careful management of its financial obligations in relation to its cash position. Using budgeting processes, the Company manages its liquidity requirements based on expected cash flow to ensure there are adequate funds to meet the short term obligations during the year. Moreover, the Company manages liquidity risk by actively pursuing additional share capital issuances to settle its obligations in the normal course of its operating, investing and financing activities. As at November 30, 2017, the Company had cash and cash equivalents of \$6,739,884 to settle current liabilities of \$241,772, consisting of trade and other payables.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of price risk: interest rate risk, foreign currency risk, and price risk:

i) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company holds its cash and cash equivalents in bank accounts that earn variable interest rates. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values of the Company's cash and cash equivalent balances as at November 30, 2017. The Company does not have any interest bearing debt.

ii) Foreign currency risk

The Company does not transact in currencies other than the Canadian dollar, and is therefore not subject to foreign currency risk.

iii) Price risk

The Company's ability to raise capital to fund exploration or development activities is subject to risk associated with fluctuations in the market prices of base and precious metals including gold, silver, zinc and lead, and the outlook for these metals. The Company does not have any hedging or other derivative contracts respecting its operations. In addition, the Company's investments which comprise publicly traded equity securities and warrants exercisable into common shares of a public company, are subject to price risk.

Market prices for metals historically have fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, levels of worldwide production, short-term changes in supply and demand, industrial and retail demand, central bank lending, and forward sales by producers and speculators. The Company has elected not to actively manage its commodity price risk, as the nature of Company's business is in exploration.

Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The

Company closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Outstanding Share Data

Authorized share capital

The authorized share capital consists of an unlimited number of common shares.

As at the date of this MD&A, an aggregate of 96,683,881 common shares are issued and outstanding.

Warrants

Subsequent to November 30, 2017, 850,000 warrants with an exercise price of \$0.15 and 100,000 warrants with an exercise price of \$0.30 were all exercised for total proceeds of \$157,500, and 139,507 warrants with an exercise price of \$0.20 expired.

As at the date of this MD&A, the Company has the following warrants outstanding:

Number Outstanding	Exercise Price Per Share	Expiry Date
2,000,000	0.35	November 30, 2018
1,761,666	0.35	March 13, 2019
1,441,286	0.20	April 4, 2019
149,389	0.34	August 23, 2019
2,861,340	0.40	August 23, 2019
1,809,386	0.45	August 23, 2019
551,650	0.34	August 30, 2019
3,103,000	0.45	August 30, 2019
7,025,000	0.30	April 4, 2020
20,702,717		

Stock Options

As at the date of this MD&A, the Company has the following stock options outstanding:

Number Outstanding	Exercise Price Per Share	Expiry Date
1,786,500	0.12	December 16, 2024
875,000	0.19	April 19, 2026
685,000	0.28	June 21, 2026
400,000	0.30	September 13, 2026
150,000	0.17	January 19, 2027
150,000	0.19	February 2, 2027
1,400,000	0.26	April 24, 2027
5,446,500		

Risks and Uncertainties

The Company is subject to a number of risks and uncertainties due to the nature of its business. The Company's exploration and development activities expose the Company to various financial and operational risks that could have a significant impact on its level of operating cash flows in the future. Readers are advised to study and consider risk factors stressed below. The following are identified as main risk factors that could cause actual results to differ materially from those stated in any forward-looking statements made by, or on behalf of, the Company.

Financing

The Company's future financial success depends on the ability to raise additional capital from the issue of shares or the discovery of properties which could be economically justifiable to develop. Such development could take years to complete and resulting income, if any, is difficult to determine. The sales value of any mineralization potentially discovered by the Company is largely dependent upon factors beyond the Company's control, such as the market value of the products produced.

Properties

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

General Resource Exploration Risks and Competitive Conditions

The resource exploration industry is an inherently risky business with significant capital expenditures and volatile metals markets. The marketability of any minerals discovered may be affected by numerous factors that are beyond the Company's control and which cannot be predicted, such as market fluctuations, mineral markets and processing equipment, and changes to government regulations, including those relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. This industry is intensely competitive and there is no guarantee that, even if commercial quantities are discovered, a profitable market will exist for their sale. The Company competes with other junior exploration companies for the acquisition of mineral claims as well for the engagement of qualified contractors. Metal prices have fluctuated widely in recent years, and they are determined in international markets over which the Company has no influence.

Governmental Regulation

Regulatory standards continue to change, making the review process longer, more complex and therefore more expensive. Exploration and development on the Company's properties are affected by government regulations relating to such matters as environmental protection, health, safety and labour, mining law reform, restrictions on production, price control, tax increases, maintenance of claims, and tenure. There is no assurance that future changes in such regulations couldn't result in additional expenses and capital expenditures, decreasing availability of capital, increased competition, reserve uncertainty, title risks, and delays in operations. The Company relies on the expertise and commitment of its management team, advisors, employees and contractors to ensure compliance with current laws.

Critical Accounting Estimates

The preparation of the financial statements require management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions, and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The Company's critical accounting estimates include the valuation of share-based compensation, while its critical accounting judgements include carrying amount of mineral properties under exploration and the measurement of current and deferred income taxes. Details of these assumptions can be found in Note 3 to the annual consolidated financial statements for the year ended February 28, 2017.

Outlook

Management believes there is potential for further discoveries and concomitant possibility for value creation at its gold properties in the Klondike District, Yukon. Exploration in 2015 through 2017 has identified gold mineralization in outcrop and drilling throughout the 50 km length of the Klondike District that indicates the area has considerable exploration potential that warrants further testing.

Our conviction in continued well-planned, efficient exploration remains unchanged, however management recognizes the need to safeguard the Company's treasury and advance our programs in measured steps. The Company has completed spending approximately \$2.5 million for the 2017 work program, which has shown promising results from drilling as well as prospecting and other surveying through the entirety of the Company's extensive property. The Company has identified an orogenic gold model that guides exploration and predicts the area has significant potential for future discovery of gold mineralization. The recent and continued results from Lone Star drilling have, in the opinion of Company's management, upgraded the potential of the Klondike District properties to host significant in situ gold mineralization. A provisional minimum budget of \$2.5 million is being contemplated for 2018 exploration. Additional funding may be required.

In general, management is encouraged by the recent strength in gold prices, and is acting on the expectation that successful exploration that yields gold discoveries can add significant value to shareholders at a time of rising demand for the commodity.

The technical and scientific information contained within the Management Discussion and Analysis has been reviewed and approved by Peter Tallman, P.Ge., President and CEO of the Company and Qualified Person as defined by National Instrument 43-101 policy.