

**92 RESOURCES CORP.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**SIX MONTHS ENDED SEPTEMBER 30, 2015**

SUITE 1400 – 1111 WEST GEORGIA STREET  
VANCOUVER, BC, V6E 4M3

TELEPHONE: 778 945 2950

## **92 RESOURCES CORP.**

Management's Discussion and Analysis  
For six months ended September 30, 2015

---

November 27, 2015

### **Overview**

The following is a management's discussion and analysis ("MD&A") of 92 Resources Corp. (the "Company" or "92 Resources"), prepared as of November 27, 2015. This MD&A should be read together with the unaudited financial statements for the six months ended September 30, 2015 and related notes which are prepared in accordance with International Financial Reporting Standards ("IFRS") and the audited financial statements for the year ended March 31, 2015, and related notes which are prepared in accordance with IFRS.

Certain information included in this MD&A may constitute forward-looking statements. Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements.

Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. The Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

It is the Company's policies that all forward-looking statements are based on the Company's beliefs and assumptions that are based on information available at the time these assumptions are made. The forward looking statements contained herein are as of November 27, 2015 and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws. Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties and other factors such as those described above and in "Risks and Uncertainties" below. The Company has no policy for updating forward looking information beyond the procedures required under applicable securities laws.

Additional information related to 92 Resources Corp. is available for view on SEDAR at [www.sedar.com](http://www.sedar.com).

### **The Company's Business**

The Company was incorporated on May 10, 2007, under the British Columbia *Business Corporations Act*. On June 10, 2014, the Company's common shares were consolidated on a five old for one new share basis and the Company's name was changed from Rio Grande Mining Corp. to **92 Resources Corp.**

The Company is domiciled in Canada and is a reporting issuer in British Columbia and Alberta, with its common shares publicly traded on the TSX Venture Exchange (the "Exchange") under the stock symbol "NTY". The address of its head office is Suite 1400, 1111 West Georgia Street, Vancouver, British Columbia, Canada, V6E 4M3.

## **92 RESOURCES CORP.**

Management's Discussion and Analysis  
For six months ended September 30, 2015

---

The principal business of the Company is the identification, evaluation and acquisition of exploration and evaluation properties, as well as exploration of those properties once acquired. At September 30, 2015, the Company had not yet determined whether any properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and mineral properties is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and future profitable production from the properties or realizing proceeds from their disposition.

### **Zim Frac Property**

On January 27, 2014, the Company entered into a sale and purchase agreement with Cannon Bridge Capital Corp. and Zimtu Capital Corp. (collectively, the "Vendors") to purchase from the Vendors a 100% interest in certain silica claims located near Golden, BC in consideration for the issuance of 400,000 common shares (2,000,000 pre-consolidated common shares) at a deemed price of \$0.25 per share (200,000 common shares to each of the Vendors), subject to a 2% NSR (the "Zim Frac Agreement"). The Zim Frac Agreement was accepted by the TSXV on February 6, 2014 and the shares were issued on the same day with a fair value of \$100,000. The Company also issued 40,000 common shares (200,000 pre-consolidated common shares) with a fair value of \$0.25 (\$0.05 pre-consolidated) per share as finder's fee. The Company can purchase up to 1% NSR by paying an aggregate sum of \$1,000,000 (\$500,000 to each of Cannon and Zimtu).

### **Mitchell Lake Property**

On 15 April 2014, the Company entered into an agreement (the "Mitchell Lake Agreement") with Unity Energy Corp. ("Unity") for an option to acquire interest in certain mineral claims consisting of 2,354 hectares, located in the southeastern Athabasca Basin, Saskatchewan known as the Mitchell Lake Uranium Project. Under the terms of the Mitchell Lake Agreement, the Company could earn a 50% interest by paying to Unity \$100,000 within 12 months of TSXV approval and completing \$3,000,000 in exploration expenditures over a four-year period.

The Mitchell Lake Agreement was accepted by the TSXV on August 13, 2014. As at September 30, 2015, the Company has not made any payment to Unity in connection with the Mitchell Lake Agreement, however it is in discussions with Unity in an effort to renegotiate the terms.

### **Sedex Claims**

Pursuant to a letter of intent ("LOI") dated 5 November 2008, as amended on 2 November 2009, and further amended 27 January 2012, the Company was granted an option to acquire a 60% interest in the Sedex Claims located in British Columbia.

By a letter agreement dated 19 July 2012, the Company and the optionor agreed to terminate the LOI. Under the terms of the letter agreement, the Company agreed to issue to the optionor, subject to the acceptance of TSXV, 7,143 common shares for keeping the Sedex Claims current and in good standing during the term of the LOI. During the six month period ended 30 September 2015, the Company and the optionor mutually agreed to forgo the issuance of these shares.

**92 RESOURCES CORP.**

Management's Discussion and Analysis  
For six months ended September 30, 2015

---

**SUMMARY OF QUARTERLY RESULTS**

(\$000's except loss per share)

The following is a summary of the Company's financial results for the eight most recent quarters:

Quarter Ended	Revenue	Loss for the period	Basic and diluted loss per share
December 31, 2013	\$ Nil	\$ 161	\$ 0.03
March 31, 2014	Nil	58	0.35
June 30, 2014	Nil	62	0.02
September 30, 2014	Nil	146	0.01
December 31, 2014	Nil	74	0.01
March 31, 2015	Nil	116	0.01
June 30, 2015	Nil	82	0.01
September 30, 2015	Nil	92	0.01

**RESULTS OF OPERATIONS***Six months ended September 30, 2015*

The Company incurred a net loss of \$173,879 for the six months ended September 30, 2015, as compared to \$208,476 for the six months ended September 30, 2014. Total expenses of \$173,879 for the six months ended September 30, 2015, related primarily to consulting fees, management and administration fees, and professional fees. During the corresponding period last year, the majority of the costs included consulting fees, management and administration fees, rent and property taxes and professional fees.

All other costs in the current period are comparable to that of the corresponding period in 2014.

**LIQUIDITY AND CAPITAL RESOURCES**

- On April 23, 2015, the Company announced that it had signed a non-binding letter of intent ("LOI") dated April 21, 2015, with 1025522 B.C. Ltd., an arm's length private B.C. company (the "Vendor"), to take assignment of certain rights of the Vendor to earn a joint venture interest in the mineral rights to approximately 12 square kilometres of land in Finland (the "Property"). The Property was targeted for diamond exploration, and was called the Reindeer Diamond property. The Company also planned to undergo a 1 for 3 share consolidation of its common shares, issue a total of 10,000,000 post-Consolidation common shares and raise up to \$600,000 for working capital and to expend on the Finland project.
- On June 12, 2015, the Company announced that it had cancelled the LOI dated April 21, 2015 and decided not to proceed with these transactions. The Company had instead decided to proceed with a working capital financing of \$211,000, with units to be issued at \$0.025. Each unit will comprise of one share and one half of one share purchase warrant. Each whole warrant will permit the holder to acquire one additional share at a price of \$0.05 for a period of 24 months after closing. The financing is subject to TSXV approval.
- On June 26, 2015, the Company closed the non-brokered private placement financing for proceeds of \$211,000 and issued 8,440,000 units at a price of \$0.025 per unit. Each unit consists of one share and one-half of one share purchase warrant. Each whole warrant

## 92 RESOURCES CORP.

### Management's Discussion and Analysis

For six months ended September 30, 2015

---

permits the holder to acquire one additional share at a price of \$0.05 per share until June 26, 2017. In connection with this private placement, the Company has not paid finders' fees. All securities issued in connection with the offering are subject to a four-month-and-one-day hold period expiring October 27, 2015.

- On July 27, 2015, the Company announced that it had arranged a non-brokered private placement of up to six million units at a price of \$0.05 per unit to raise gross proceeds of up to \$300,000. Each unit will consist of one common share of the company and one-half of one transferable share purchase warrant. Each whole warrant will permit the warrant holder to acquire one additional common share of the Company at a price of \$0.10 per share for period of two years after closing. The private placement is subject to acceptance by the TSX Venture Exchange.
- On July 27, 2015, a total of 297,211 share purchase warrants with exercise prices ranging from \$5.25 to \$7.00 expired.
- On August 15, 2015, a total of 250,000 stock options with an exercise price of \$0.12 were cancelled.
- On November 18, 2015, the Company announced that it is again conducting due diligence and considering ways to possibly take assignment of certain rights to earn a joint venture interest in mineral claims in Finland, the same property which the Company first described in the Company's press release dated April 23, 2015. The Company also re-announced that it has arranged a non-brokered private placement of up to six million units at a price of \$0.05 per unit to raise gross proceeds of up to \$300,000. Each unit will consist of one common share of the company and one-half of one transferable share purchase warrant. Each whole warrant will permit the warrant holder to acquire one additional common share of the Company at a price of \$0.10 per share for period of two years after closing. The private placement is subject to acceptance by the TSX Venture Exchange.

As at September 30, 2015, the Company had cash and cash equivalents of \$53,891 and working capital of \$18,722. Some of the factors affecting the Company's liquidity are:

- The Company will have to incur ongoing costs to maintain its properties and plans to undertake exploration programs that will consume cash.
- As disclosed in note 6 of the September 30, 2015 financial statements, the Company must make option payments and complete minimum exploration expenditures if it is to retain its properties.
- As disclosed in note 8 of the September 30, 2015 financial statements, the Company has loans payable.
- As at September 30, 2015, the Company had 14,898,167 share purchase warrants outstanding at between \$0.05 and \$5.25 per share.
- As at September 30, 2015, the Company had 417,000 stock options outstanding at between \$0.12 and \$0.25 per share.

As at September 30, 2015, the Company had not advanced its exploration and evaluation properties to commercial production. The Company's continuation as a going concern is dependent upon successful results from exploration activities on its mineral properties and its ability to attain profitable operations and generate cash from its operations in the foreseeable future. As at September 30, 2015, the Company has accumulated losses of \$4,355,016 since inception, and is expected to incur further losses in the development of its business. The Company will have to rely on the issuance of shares or the exercise of options and warrants to

## **92 RESOURCES CORP.**

Management's Discussion and Analysis  
For six months ended September 30, 2015

---

fund ongoing operations and investment. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

### **RELATED PARTY TRANSACTIONS**

During the period ended September 30, 2015, the Company incurred the following related party transactions measured at exchange amounts, which were the amounts agreed upon by the transacting parties and are on terms and conditions similar to those for arm's length transactions:

- Management and administration fees of \$39,000 (2014: \$39,000), consulting fees of \$Nil (2014: \$5,800) and expense reimbursement of \$Nil (2014: \$4,072) were incurred to an officer and director of the Company.
- Consulting fees of \$3,000 (2014: \$3,013) and management and administration fees of \$21,000 (2014: \$21,000) were incurred to a company controlled by an officer of the Company.
- Consulting fees of \$Nil (2014: \$3,250) were incurred to a director of the Company.

### **Key management personnel compensation**

The Company considers its President, Chief Executive Officer, Chief Financial Officer and directors to be key management. During the six month period ended September 30, 2015, the Company incurred \$63,000 (September 30, 2014: \$72,063) on compensation.

### **COMMITMENTS**

The Company has certain commitments to make cash payments and/or issue common shares related to certain exploration and evaluation property agreements.

The Company has certain commitments related to repayments of loans payable.

The Company has certain commitments related to key management compensation for \$10,000 per month with no specific expiry of terms.

The Company has certain commitments pursuant to a rent agreement with an expiry date of January 14, 2016 for rent payments of \$3,551 for the remaining term. (NB: Rent for the months of June, July and August 2015 was renegotiated and reduced from \$1,676.22 + GST/month to \$1,193.75 + GST/month, and further reduced to \$1,014.69 + GST/month)

### **CHANGES IN ACCOUNTING POLICIES**

New accounting policies that the Company has adopted or expects to adopt are noted below (also disclosed in the September 30, 2015 quarterly financial statements):

At the date of authorization of the condensed interim consolidated financial statements and this MD&A, the IASB and IFRIC have issued the following new and revised standards, amendments and interpretations which are not yet effective during the relevant reporting periods.

- IAS 1 '*Presentation of Financial Statements*' is applicable to annual periods beginning on or after January 1, 2016.
- IAS 8 '*Operating Segments*' is applicable to annual periods beginning on or after July 1, 2014.

## **92 RESOURCES CORP.**

Management's Discussion and Analysis

For six months ended September 30, 2015

---

- IAS 16 '*Property, Plant and Equipment*' is applicable to annual periods beginning on or after January 1, 2016.
- IAS 28 '*Investments in Associates and Joint Ventures*' is effective for annual periods beginning on or after January 1, 2016.
- IAS 24 '*Related Party Disclosures*' is applicable to annual periods beginning on or after July 1, 2014.
- IFRS 7 '*Financial Instruments: Disclosures*' is effective for annual periods beginning on or after January 1, 2016.
- IFRS 9 '*Financial Instruments: Classification and Measurement*' is effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted.
- IFRS 10 '*Consolidated Financial Statements*' is effective for annual periods beginning on or after January 1, 2016.
- IFRS 11 '*Joint Arrangements*' is applicable to annual periods beginning on or after January 1, 2016.

The Company has not early adopted these standards, amendments and interpretations and anticipates that the application of these standards, amendments and interpretations will not have a material impact on the financial position and financial performance of the Company.

### **OFF-BALANCE SHEET ARRANGEMENTS**

The Company has not entered into any material off-balance sheet arrangements.

### **PROPOSED TRANSACTIONS**

None

### **CRITICAL ACCOUNTING ESTIMATES**

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year and are discussed in the financial statements.

### **FINANCIAL INSTRUMENTS**

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or

## **92 RESOURCES CORP.**

### Management's Discussion and Analysis

For six months ended September 30, 2015

---

using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short term maturity of these instruments.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data. As at September 30, 2015, the Company does not have any Level 3 financial instruments.

The Company's financial instruments consist of cash and cash equivalents, amounts receivable, loan receivable, trade and other payables and loans payable.

The Company's financial instruments are exposed to certain financial risks. The 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. The Company's cash and receivables are exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness.

#### **Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company considers its exposure to interest rate risk to be not significant.

#### **Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's accounts payable and accrued liabilities are all current and due within 90 days of the balance sheet date. The Company ensures that it has sufficient capital to meet its short-term financial obligations.

### **RISKS AND UNCERTAINTIES**

The more significant risks and uncertainties not discussed elsewhere in this MD&A include:

#### **Financing Risk**

The Company will need to continue raising funds to finance its operations and exploration activities. There is no certainty that the Company will be able to raise money on acceptable terms or at all.

#### **Exploration Risk**

Exploration for mineral resources involves a high degree of risk. The cost of conducting exploration programs may be substantial and the likelihood of success is difficult to assess. Few explored properties are ultimately developed into producing mines. The Company attempts to



## **92 RESOURCES CORP.**

Management's Discussion and Analysis  
For six months ended September 30, 2015

---

mitigate its exploration risk by maintaining a diversified portfolio that includes several different exploration prospects in a number of favorable geologic environments.

### **Metal Price Risk**

Even if the Company's exploration programs are successful in locating economic deposits of minerals or precious metals, factors beyond the Company's control may affect the value and marketability of such deposits. Natural resource prices have wide historic fluctuations due to many factors, including inflation, currency fluctuations, interest rates, consumption trends and local and worldwide financial market conditions. The prices of such natural resources greatly affect the value of the Company and the potential value of its properties. This, in turn, greatly affects its ability to form joint ventures and the structure of any joint ventures formed.

### **Environmental Risk**

The Company seeks to operate within environmental protection standards that meet or exceed existing requirements in the countries in which the Company operates. Present or future laws and regulations, however, may affect the Company's operations. Future environmental costs may increase due to changing requirements or costs associated with exploration and the developing, operating and closing of mines. Programs may also be delayed or prohibited in some areas. Although minimal at this time, site restoration costs are a component of exploration expenditures.

### **OUTSTANDING SHARE DATA**

As at the date of this MD&A there were:

- A total of 20,328,203 common shares issued and outstanding.
- Warrants to purchase the following:
  - up to 122,000 common shares at \$5.25 per share and exercisable until November 2, 2015;
  - up to 1,896,800 common shares at \$0.50 per share and exercisable until July 19, 2016;
  - up to 286,000 common shares at \$0.50 per share and exercisable until July 30, 2016;
  - up to 8,207,667 common shares at \$0.10 per share and exercisable until July 18, 2016;
  - up to 165,700 common shares at \$0.10 per share and exercisable until July 18, 2016; and
  - up to 4,220,000 common shares at \$0.05 per share and exercisable until June 26, 2017.
- Stock options to purchase the following:
  - up to 142,000 common shares at \$0.25 per share until January 17, 2019; and
  - up to 275,000 common shares at \$0.12 per share until October 15, 2019.

The maximum number of shares potentially issuable is therefore 15,315,167.

**92 RESOURCES CORP.**

Management's Discussion and Analysis

For six months ended September 30, 2015

---

**SUBSEQUENT EVENTS**

- On November 2, 2015, a total of 122,000 share purchase warrants with an exercise price of \$5.25 expired.
- On November 18, 2015, the Company announced that it is again conducting due diligence and considering ways to possibly take assignment of certain rights to earn a joint venture interest in mineral claims in Finland, the same property which the Company first described in the Company's press release dated April 23, 2015. The Company also re-announced that it has arranged a non-brokered private placement of up to six million units at a price of \$0.05 per unit to raise gross proceeds of up to \$300,000. Each unit will consist of one common share of the company and one-half of one transferable share purchase warrant. Each whole warrant will permit the warrant holder to acquire one additional common share of the Company at a price of \$0.10 per share for period of two years after closing. The private placement is subject to acceptance by the TSX Venture Exchange.

*ADDITIONAL INFORMATION*

Additional information related to the Company can be found on SEDAR at [www.sedar.com](http://www.sedar.com).