CIM International Group Inc.

(Formerly Golden Bridge Development Corporation)

Management's Discussion & Analysis

For the Period Ended

May 31, 2016 and May 31, 2015

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July 29, 2016

The following Management's Discussion &Analysis of the financial position, results of operations and cash flows of CIM International Group Inc. (formerly Golden Bridge Development Corporation) (the "**Company**") are prepared by management and should be read in conjunction with the Company's unaudited interim condensed financial statements and related notes thereto for the three months' period ended May 31, 2016 and May 31, 2015 (the **"Financial Statements")**. The Company's unaudited interim condensed financial statements and additional information about the Company are available on SEDAR at www.sedar.com. All amounts disclosed are presented in Canadian dollars unless otherwise stated.

Forward Looking Statements

This Management Discussion and Analysis ("**MD&A**") contains "forward-looking statements" which may include, but are not limited to, statements with respect to the future financial or operating performance of the Company. Often, but not always, forward-looking statements can be identified by the use of words such as "plans," "expects," "is expected," "budget," "scheduled," "estimates," "forecasts," "intends," "anticipates," or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may," "could," "would," "might" or "will" be taken, occur or be achieved. Forward-looking statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable at the date that such statements are made. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.

Forward-looking statements contained herein are made as at the date of this Management's Discussion and Analysis. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements except as required by applicable securities laws.

OVERVIEW AND DESCRIPTION OF BUSINESS

The Company commenced business as a mineral exploration company listed on the TSX Venture Exchange (the "**TSXV**") under the trading symbol "**GBD**" (formerly "GBM"). The Company was incorporated pursuant to the provisions of the *Business Corporations Act* (Ontario) on February 18, 2010. On May 27, 2010, the Company was listed as a Capital Pool Company ("CPC") as defined pursuant to Policy 2.4 ("Policy 2.4") of the TSX Venture Exchange ("TSXV").

Effective August 28, 2014, the Company officially changed its corporate name to "Golden Bridge Development Corporation" from Golden Bridge Mining Corporation and traded under the stock symbol "GBD" and was classified as a Tier 2 mineral exploration issuer company.

On April 29, 2016, the Company officially changed its name to CIM International Group Inc. and de-listed its shares from the TSXV. The Company listed its shares on the Canadian Securities Exchange ("CSE") under the stock symbol "CIM" and commenced trading effective May 2, 2016 and is now classified as a "Diversified Industries" issuer company. The registered address of the Company is 55 Commerce Valley Drive West, Suite 502, Markham, Ontario, Canada, L3T 7V9.

CORPORATE DEVELOPMENTS

Transaction

Effective April 29, 2016, the Company completed the securities exchange involving CIM Development (Markham) LP ("CIM LP"), CIM Investment & Development LP, Global King Inc., and Shang Titlist Investment Inc. (the three foregoing entities referred to collectively as the "CIM Parties") and acquired 10,000,000 Class A non-voting units in a new limited partnership named CIM Mackenzie Creek Limited Partnership in exchange for 40,000,000 consolidated common shares in the capital of the Company at a deemed price of $0.25 per consolidated share on a post-consolidated basis totalling $10,000,000 (the "Transaction"). Shareholders of the Company overwhelmingly supported and approved the Transaction and related matters at the Annual and Special Meeting of the shareholders held on April 8, 2016.

Share Consolidation and Change of Business

The Company had 18,663,081 Common Shares as at February 29, 2016, on a non-diluted basis. Upon the closing of the Transaction on April 29, 2016, the Company consolidated its issued and outstanding shares on the basis of five pre-consolidation Common Shares for each one post-consolidation Common Share which resulted in a total of 3,732,616 shares issued and outstanding as at April 29, 2016. The 5:1 ratio consolidation of the Common Shares was approved by the shareholders of the Company on April 8, 2016 and was also approved by regulatory authorities.

The Transaction resulted in a change of business ("Change of Business") for the Company which became a "Diversified Industries" company on the CSE Exchange.

De-Listing from TSXV and Re-Listing on the CSE

The Company delisted its Common Shares from the TSXV effective April 29, 2016 pursuant to the policies of the TSXV, and which was approved by the shareholders of the Company on April 8, 2016 at the Company's Annual and Special Meeting.

In connection with the Transaction, the Company satisfactorily completed the process to list its Common Shares on the CSE in accordance with the CSE's listing requirements effective on May 2, 2016 and its common shares began trading on May 9, 2016 on the CSE Exchange.

Stock Options

During the period ended May 31, 2016, a total of 736,931 stock options which were granted between August 2012 and April 2014 to Directors and Officers of the Company were cancelled and an amount of $155,292 representing the portion of the fair value attributable to these stock options was transferred to contributed surplus within the other capital reserves account.

On April 29, 2016, the Board of Directors granted a total of 373,262 stock options to certain Directors and Officers exercisable into common shares at a price of $0.375 per share expiring April 29, 2019 and were fully vested upon issuance. The fair value of the stock options granted to certain directors, and officers was $86,363 and was calculated using the Black Scholes option pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 100.00%; (iii) risk free rate of 0.60%; and (iv) expected life of 3 years and a forfeiture rate of 0%.

As at May 31, 2016, there were a total of 373,262 (February 28, 2016 - 736,931) vested stock options outstanding and the weighted average contractual life remaining of the balance of the outstanding stock options is 2.75 years (February 28, 2016: 2.14 years).

Hebecourt Exploration Project

Subsequent to the year-end, the Company terminated the Hebecourt Agreement with the holders regarding the Hebecourt Property and is no longer bound by the terms, conditions, commitments or obligations of the Hebecourt Agreement. In addition, the Company will have no further obligations, commitments or liabilities of any kind going forward. As a result, the mining explorations costs of $718,334 in total were written-off in the fiscal year ended February 29, 2016.

Saskatchewan Uranium Property

During the year ended February 29, 2016, the Company has written-off the entire balance of $27,994 of the mineral exploration for this uranium property in Saskatchewan as the Company no longer intends to develop uranium resources at this time.

Private Placement Financing - Common Shares

On January 7, 2015**,** the Company completed a non-brokered private placement financing consisting of 1,000,000 common shares at a price of $0.30 per common share for gross proceeds of $300,000. The net proceeds of the financing were used to fund the Company's mineral exploration programs and for general working capital purposes. Cash fees equal to 8% of the aggregate gross proceeds raised under the financing were payable as finder's fees to a certain corporation at arm's length to the Company. The common shares were subject to statutory resale restrictions until May 8, 2015. The financing was approved by the TSXV on January 7, 2015.

On April 29 2016, the Company completed the securities exchange involving CIM Development (Markham) LP ("CIM LP"), CIM Investment & Development LP, Global King Inc., and Shang Titlist Investment Inc. (the three foregoing entities referred to collectively as the "CIM Parties") and acquired 10,000,000 Class A non-voting units in a new limited partnership named CIM Mackenzie Creek Limited Partnership in exchange for 40,000,000 common shares in the capital of the Company at a deemed price of $0.25 per consolidated share on a post-consolidated basis totalling $10,000,000.

On April 29, 2016, the Company completed a concurrent private placement financing for gross proceeds $600,000 consisting of 2,400,000 post-consolidation shares at $0.25 per common share, as required in order to meet CSE listing requirements in connection with the Transaction.

During the period ended May 31, 2016, share issue costs recorded against share capital included professional fees and other fees of $8,675 (February 29, 2016: $3,828).

OPERATING & FINANCIAL RESULTS

Results of Operations

Until April 29, 2016, the Company had been engaged only in the exploration and development of mineral resource properties. The Company had not determined whether its mining properties contained reserves that were economically recoverable. The recoverability of the amounts recorded for its mining properties were dependent upon the existence of economically recoverable reserves, the ability of the Company to fund the costs to complete the exploration and development of its resource properties, and upon future profitable production operations or proceeds from the sale of its mining properties.

PERIOD ENDED May 31, 2016

Selected Financial Information

The Company's fiscal year-end is **February 28th (or February 29th in a leap-year).** The following selected financial data is derived from the unaudited interim condensed financial statements of the Company for the periods ended May 31, 2016 and May 31, 2015.

Results of Operations	Period Ended May 31, 2016	Period Ended May 31, 2015
Total revenue	$Nil	$Nil
Net loss and comprehensive loss	$(593,519)	$(197,611)
Net loss and comprehensive loss per share - basic and diluted- (Post-consolidated)	$(0.03)	$(0.05)
Total assets	$10,934,317	$971,008
Total current liabilities	$1,455,341	$144,415
Total long-term liabilities	$72,453	$315,012
Cash dividends declared per share	$ Nil	$Nil
Weighted Average Number Shares - (Post-consolidated)	18,900,740	3,732,616

Management's Discussion and Analysis – Three Months Ended May 31, 2016

The Company incurred a net comprehensive loss of $593,519 for the three month period ended May 31, 2016 as compared to a net comprehensive loss of $197,611 for the comparative period ended May 31, 2015, an increase in the net comprehensive loss of $395,908 over the prior period. The increase in comprehensive loss for the period is mainly the result of an increase in share-based compensation of $86,363, an increase in the professional fees by $149,385, a decrease in wages and benefits of $28,179 over the prior period, and the write-off of the deferred costs of $155,752 in the period. Total operating expenses for the three month period ended May 31, 2016 were $427,931 as compared to total expenses of $188,178 for the prior period ended May 31, 2015, representing a total increase of $239,753 over the prior period.

For the three month period ended May 31, 2016, the Company recorded a net loss per share of $(0.03) per share as compared to a net loss per share of $(0.05) in the prior period ended May 31, 2015. The net loss per share changed by $(0.02) per share in the current period mainly as a result of the increase in the comprehensive loss in the period as described previously, and also offset by the increase in the number of common shares outstanding at the end of the period.

Liquidity and Capital Resources Risk

As at May 31, 2016, the Company had total assets of $10,934,317, as compared to total assets of $668,675 as at February 29, 2016 representing a increase of $10,265,642 during the period. Total assets were comprised mainly of cash totalling $758,037, other receivables of $102,155, capital assets of $74,125, and the investment in real estate of $10,000,000.

The change in total assets in the year of $10,265,642 on a net basis resulted mainly from an increase in the cash balances of $347,229, the investment in real estate of $10,000,000, an increase in other receivables of $15,483, an increase in capital assets of $74,125 and, a decrease in deferred costs of $155,752. The Company has invested in the real estate sector in connection with the new business focus established by the Board of Directors.

During the period ended May 31, 2016, the Company recorded funs from capital financing activities of $10,073,885 including from the issuance of 42,400,000 common shares in connection with the CIM Transaction. The Company also had net proceeds of $73,885 for a loan payable for the purchase capital assets in the period ended May 31, 2016.

Current liabilities totalled $1,455,341 as at May 31, 2016 as compared to a balance of $682,475 as at February 29, 2016 representing an increase of $772,866 in total. The increase consisted of an increase in accounts payable and accrued liabilities balance over the prior period comprised mostly of professional fees payable, payroll remittances payable, other corporate expenses payable, and an increase in the balance due to related parties of $647,426 at this time.

The convertible debentures balance of $267,862 is classified as a current liability at May 31, 2016 since the maturity date of the debentures is December 5, 2016 which is due within one year from the balance sheet date. However, the debentures are convertible into common shares of the Company at the holder's option at any time prior to the maturity date at a conversion price of $1.75 per common share on a post-consolidation basis. Therefore, some or all of these debentures may be converted during the period up to the maturity date of the debentures by the holders if it is favourable to do so from a financial perspective based on the current stock price of the Company at any given time up to the maturity date.

Long-term liabilities as at May 31, 2016 totalled $72,453 as compared to a total of $63,846 as at February 29, 2016. Shareholders' equity totalled $9,406,523 as at May 31, 2016 compared to a shareholder deficit balance of $77,646 at February 29, 2016, an increase shareholders' equity in the period of $9,484,169. The increase consisted mainly from the $10,596,172 recorded for the issuance of common shares, and offset by the net loss of $593,519 incurred for the three month period.

The Company's financial instruments were comprised of cash, other receivables, accounts payable and accrued liabilities, due to related parties, convertible debentures and the loan payable. The Company did not have any contracts with embedded derivatives or similar financial products. The Company managed its financial instruments liquidity risk by reviewing the cash funds on hand, by forecasting the projected cash flows and the timing and payment terms for expected mining exploration costs, and by planning business operations expenditures and by anticipating the requirement and timing of funds under its financing activities.

In the opinion of management, the Company is not exposed to any significant market risk, credit risk, currency risk, interest rate risk, or liquidity risk arising from its current financial instruments in its mining exploration operations as at May 31, 2016.

Going Concern

The Company's capital consists of common shares which is its principal source of raising funds at this time. The Company's capital management objectives are to safeguard its ability to continue as a going concern and to raise sufficient capital funds to be able to explore and adequately develop its mineral property, and to meet its current minimum financial obligations and commitments related to its business operations.

For the period ended May 31, 2016, the Company reported no revenue, incurred significant operating and non-operating expenses, and reported continuing losses including a net loss of $593,519 for the current period ended, and had an accumulated deficit of $5,190,239. These material uncertainties may cast significant doubt as to the ability of the Company to continue operations into the foreseeable future as a going concern.

Over the past years, management has obtained financing through the issuance of debt and equity instruments to continue its operations, and while it has been successful in raising funds in the past, there can be no assurance that the Company will be able to do so in the future when additional financing may be needed or, if available, be accessible on reasonable commercial terms and conditions to the Company. Without such funds being available, the Company may be unable to continue its operations, and amounts realized for assets may be less than amounts reflected in these financial statements.

However, management and the Board of Directors of the Company recently considered a number of potential opportunities and strategies to maximize shareholder value for the Company. As a result, the Company has now repositioned its business mandate as a "Diversified Industries" issuer listed on the CSE focused on three distinct business sectors: resources, real estate and technology. This will allow the Company to pursue and develop business in these various sectors when opportunities arise and will allow the Company to expand its operations more easily, improve cash flow, raise capital equity, have the potential for improved profitability, to be in a better position meet its commitments and obligations, and to enhance shareholder value in the future.

As a result of the Transaction and the investment in the real estate development project, the Company believes has the benefit of the skills and talents of an experienced real estate developer in the Greater Toronto Area in an industry which has seen significant growth and development during the past several years and in which there has been available capital from financiers and lenders to carry out such projects. Through the successful and profitable conduct of its business sectors, the Company anticipates that it be able to carry on its business for the foreseeable future in good standing.

Senior management is also actively involved in the review and approval of all planned expenditures and commitments of the Company. All expenditures of the Company are paid in Canadian dollars. All major business contracts, agreements, business arrangements, corporate business and organizational affairs of the Company require approval by the Board of Directors of the Company.

Cash Flows

During the period ended May 31, 2016, the Company recorded net cash increase of $335,771 in total as compared total cash decrease of $170,945 for the prior period. The cash balances increased overall during the period mainly as a result of the increase in the common shares of $10,596,172 in connection with the CIM Transaction, by the cash provided by operating activities of $405,785 in the period. The Company invested in the real estate investment of $10,000,000 and in capital assets of $73,885 in the period.

Cash provided by operating activities was $405,785 for the period ended May 31, 2016 as compared to cash used of $164,080 in the prior period. The funds provided by operating activities mainly consisted of the net loss reported for the period of $593,519, and offset by for the non-cash write-off of deferred costs of $155,752, and by the net changes in non-cash working capital balances totalling $764,753.

Cash used in investing activities was $10,073,885 for the period ended May 31, 2016 as compared to cash used of $6,865 for the prior year. The Company invested in the real estate investment of $10,000,000 and capital assets of $73,885 in the period.

Cash provided by financing activities was $10,003,885 for the period ended May 31, 2016 as compared to a balance of $Nil in the prior period. During the current period, the Company recorded $10,596,172 from the issuance of common shares in connection with the CIM Transaction as discussed previously.

Working Capital

As at May 31, 2016, the Company had current assets of $860,192 as compared to current liabilities of $1,455,341 representing a negative working capital of $595,149. However, the total of the convertible debentures balance of $267,862 is included in current liabilities as at May 31, 2016 since the debentures mature within the year on December 5, 2016 and is impacting the working capital amount.

It is possible that some or all the convertible debentures may be converted into common shares by the holders at any time prior to the maturity date. In addition, the Company may refinance the debentures and or raise additional capital in order to repay the debentures as required.

Currently, the Company is managing its operating expenses, and has adequate funds to meet its current immediate short-term obligations and short-term commitments and believes it has the ability and is planning to raise sufficient additional cash funds to carry on its business operations for the upcoming fiscal year and to fund potential investments and or acquisitions in the future which are attractive opportunities or strategic to the Company's business.

Convertible Debentures

On December 5, 2013, the Company completed a private placement financing for total gross proceeds of $280,000 of unsecured convertible debentures. The debentures mature on December 5, 2016, bear interest at a rate of 8.0% per annum payable semi-annually, and are convertible into common shares at the holder's option at any time prior to the maturity date at a conversion price of $1.75 per common share (post-consolidation). The Company will explore various options to refinance the convertible debentures including refinancing or extending the debt with the existing holders, to secure other financing sources, or through equity issuances of capital stock.

Share Capital

The following is a summary of the recent capital stock transactions completed:

On January 7, 2015**,** the Company completed a private placement financing consisting of 1,000,000 Common Shares at a price of $0.30 per share for gross proceeds of $300,000. Cash fees equal to 8% of the aggregate gross proceeds raised under the Offering were payable as finder's fees to a certain corporation at arm's length to the Company.

On April 29 2016, the company completed the securities exchange involving CIM Development (Markham) LP ("CIM LP"), CIM Investment & Development LP, Global King Inc., and Shang Titlist Investment Inc. (the three forging entities referred to collectively as the "CIM Parties") and acquired 10,000,000 Class A non-voting units in a new limited partnership named CIM Mackenzie Creek Limited Partnership in exchange for 40,000,000 common shares in the capital of the Company at a deemed price of $0.25 per consolidated share on a post-consolidated basis totaling $10,000,000.

On April 29, 2016, the Company completed a concurrent private placement financing for gross proceeds $600,000 consisting of 2,400,000 post-consolidation shares at $0.25 per common share, as required in order to meet CSE listing requirements in connection with the Transaction.

Stock Options

During the period ended May 31, 2016, a total of 736,931 stock options which were granted between August 2012 and April 2014 to Directors and Officers of the Company were cancelled and an amount of $155,292 representing the portion of the fair value attributable to these stock options was transferred to contributed surplus within the other capital reserves account.

On April 29, 2016, the Board of Directors granted a total of 373,262 stock options to certain Directors and Officers exercisable into common shares at a price of $0.375 per share expiring April 29, 2019 and were fully vested upon issuance. The fair value of the stock options granted to certain directors, and officers was $86,363 and was calculated using Black Scholes option model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 100%; (iii) risk free rate of 0.60%; and (iv) expected life of 3 years and a forfeiture rate of 0%.

As at May 31, 2016, there were a total of 373,262 (Feb 29, 2016 – 736,931) vested stock options outstanding and the weighted average contractual life remaining of the balance of the outstanding stock options is 2.75 years (Feb 29, 2016 - 2.14 years).

Outstanding Share Data

As at May 31, 2016, the following issued share data is reported on a post-consolidation basis:

- 46,132,616 common shares issued and outstanding.
- No share purchase warrants issued or outstanding.
- 373,262 stock options issued and outstanding.

Transactions with Related Parties

During the periods ended May 31, 2016 and May 31 2015, the Company had the following related party transactions regarding its operations:

a) Northern Skye Resources Ltd., the appointed mining operator of the Hebecourt Project, billed the Company $5,414 for the mining exploration costs for the Hebecourt Project during the period ended May 31, 2015 were originally capitalized to mining exploration costs.

b) A summary of the key management compensation comprises the following:

	May 31, 2016	May 31,2015
Salaries and benefits	$ 57,837	$86,124
Stock-based compensation	45,017	-
Total for the period	**$102,854**	**$86,124**

The related party transactions were conducted in the normal course of business operations and were measured at the exchange amount, which is the amount agreed to by the related parties.

c) Charles Qin, the Chief Executive Officer and a director of the Company participated in the convertible debentures financing which closed on December 5, 2013. By virtue of Mr. Qin's participation, the financing constitutes a "related party transaction" under applicable securities laws.

Summary of Selected Quarterly Results – Past Two Years

Description	Three months ended May 31, 2016 Q1-2017	Three months ended Feb 29, 2016 Q4-2016	Three months ended Nov 30, 2015 Q3-2016	Three months ended Aug 31, 2015 Q2-2016	Three months ended May 31, 2015 Q1-2016	Three months ended Feb28, 2015 Q4-2015	Three months ended Nov 30, 2014 Q3-2015	Three months ended Aug 31, 2014 Q2-2015
Revenue	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil
Expenses								
General & administrative	$44,226	$16,717	$12,988	$16,651	$40,996	$47,455	$44,088	$42,947
Share-based compensation	$86,363	$Nil	$Nil	$Nil	$Nil	$(6,301)	$Nil	$Nil
Professional fees	$191,710	$4,027	$104,774	$7,345	$42,325	$8,824	$33,714	$20,511
Wages & benefits	$72,429	$76,856	$67,198	$71,760	$100,608	$91,458	$90,982	$89,055
Filing fees and other	$29,458	$11,676	$8,035	$7,251	$4,249	$12,649	$4,367	$10,933
Depreciation	$3,745	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil
Total Expenses	$427,932	$109,276	$192,995	$103,006	$188,178	$154,085	$173,151	$163,447
Write-off of deferred costs / mining exploration costs	$155,752	$718,334	$27,994	$Nil	$Nil	$Nil	$Nil	$Nil
Interest income	$Nil	$(498)	$(332)	$(191)	$(403)	$(803)	$(218)	$(917)
Interest expense	$9,836	$15,267	$9,681	$9,867	$9,836	$9,713	$9,728	$9,820
Other income	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$(8,700)
Loss and Comprehensive Loss for the Period	**$(593,519)**	**$(842,378)**	**$(230,338)**	**$(112,682)**	**$(197,611)**	**$(162,996)**	**$(182,661)**	**$(163,649)**
Loss per Share -Pre-consolidation (Post-consolidation commencing May 31, 2016)	$(0.03)	$(0.04)	$(0.01)	$(0.01)	$(0.01)	$(0.01)	$(0.01)	$(0.01)
Weighted Average Number of Shares-Pre-consolidation (Post--consolidation commencing May 31, 2016)	**18,900,740**	**18,663,081**	**18,663,081**	**18,663,081**	**18,663,081**	**18,437,115**	**17,663,081**	**17,613,911**

Off-Balance Sheet Arrangements

As at May 31, 2016, the Company did not have any other off-balance sheet commitments and did not enter into off-balance sheet arrangements during the fiscal year.

Commitments and Contractual Obligations

The Company was committed to a rental contract under an operating lease for its office premises effective January 2014, and was committed to a rental contract for monthly payments of $4,227, plus applicable taxes, which expired in November 2015. There are no formal rental commitments remaining under contract as of May 31, 2016.

Financial Instruments and Other Instruments

Unless otherwise noted, it is management's opinion that the Company is not currently exposed to significant market risk, currency risk, credit risk or liquidity risks arising from its financial instruments in its limited business operations at this time. The fair value of these financial instruments approximates their carrying value as at May31, 2016.

Risks Associated with Mining Operations

The Company's mining operations are dependent on its ability to successfully generate profitable mining operations in the future, and its ability to raise capital or financing to meet its current commitments and obligations for mineral exploration and development.

The exploration of mineral properties involves a high degree of risk which cannot be avoided despite the experience, knowledge and careful evaluation of prospective mineral properties by management. There can be no assurance that commercial quantities of ore will be discovered on the Company's mineral properties. Even if such commercial quantities are subsequently discovered by the Company's exploration efforts, there can be no assurance that such properties can be brought in to commercial production. Operations may be subject to disruption due to weather conditions, labour unrest, or other causes beyond the control of the Company's Management. Hazards such as unexpected formations, pressures, flooding or other unfavourable conditions over which the Company does not have control may be encountered and may adversely affect the Company's operations and financial results.

Mineral Market

The market for minerals is subject to many factors beyond the Company's control, such as market price fluctuation, currency fluctuation and government regulation. The effect of such factors cannot be accurately calculated. The existence of any or all such factors may restrict the access to a market, if same, exists, for the sale of commercial ore which may be discovered.

Exploration Tax Credits

The Company is entitled to a Quebec tax credit for resources on eligible mining exploration expenses incurred for mineral exploration in the Province of Quebec, Canada for its Hebecourt Project. The tax credit for exploration expenditures is available at a rate of 28% of qualified expenditures incurred with respect to its mineral exploration program less any amounts renounced as part of the flow-through shares. The Company records the amount of the tax credit receivable in the year that the eligible expenses are incurred and is presented as a deduction from its mining properties on a property by property basis.

Issuance of Flow-Through Shares

The Company is financed in part through the issuance of Flow-Through shares requiring that the Company spend the proceeds for qualifying mining exploration expenses. Furthermore, the Canadian tax rules set deadlines for carrying out the exploration work, subject to penalties if the conditions are not respected. The Company is committed to conducting all the required measures to be in compliance, however, refusal of certain exploration expenditures by the tax authorities would have a negative effect on the Company.

Functional currency

The Company's financial statements for the year May 31 , 2016 are presented in Canadian dollars which is the functional currency of the Company.

Additional Disclosure for Issuers Without Significant Revenue

The Company’s operating expenses during the 3 month’s period are summarized as follows:

Operating Expenses	**3 Months Ended May 31, 2016**	**3 Months Ended May 31, 2015**
General and administration	$44,226	$40,996
Share-based compensation	$86,363	$ Nil
Professional fees	$191,710	$42,325
Wages and benefits	$72,429	$100,608
Filing fees and other	$29,458	$4,249
Depreciation	$3,745	$ Nil
Total Operating Expenses	**$427,931**	**$188,178**

Segmented Disclosure

The Company operated one business segment; the acquisition, exploration and development of mineral properties and for which all operating activities were conducted within Canada. The Company had two distinct mineral properties both located in Canada and have the following mineral costs capitalized in assets, net of impairment, as follows as at May 31, 2016:

Real estate investment	$ 10,000,000
Mining exploration costs	-
Total	$ 10,000,000

Environmental Risks

Environmental legislation continues to evolve and imposes strict standards and enforcement, increased fines and penalties for non-compliance, more stringent assessment of proposed projects and a greater degree of corporate responsibility. The can be no assurance that future changes to environmental legislation may not adversely affect the Company's operations. In the prior years, the Company did not undertake any invasive exploration or development of any of its previous mining properties that would potentially result in serious environmental concerns.

Legal Proceedings

Currently, the Company is not a party to any current ongoing legal proceedings at this time and is not aware of any pending or contemplated legal actions which are or may be material to the business operations of the Company.

Critical Accounting Estimates and Judgments

The preparation of the financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the financial statements, the reported amounts of revenue and expenses during the reporting period, and the assessment and disclosure of contingencies, if any.

The significant critical accounting estimates impacting the Company's financial statements are the estimates of the amount of the Quebec Tax Credit for Resources receivable from the qualifying mineral exploration expenditures for the Hebecourt Project in Quebec, the calculation of the fair value of the debt component of the convertible debentures, the measurements of the stock options and share-based compensation calculated using the Black-Scholes option pricing model, the calculation of the fair value of the share purchase warrants using the Black Scholes model, and the assessment of realizing the deferred tax assets.

The critical accounting judgements involved in the Company's financial statements are the judgments relating to the assessment of carrying value of the mining exploration and development costs capitalized and the determination of any impairment that may exist, the judgment required to determine the appropriate accounting treatment for the convertible debentures, and the judgment requirement by management to determine whether the Company is able to continue operations as a going concern.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements.

Reliance on Management

The Company anticipates that it will rely on the experience and expertise of management and the exploration team with respect to the further development of any mineral properties. The loss of any of the services of management to effectively manage the business affairs of the Company could have a material adverse impact on the Company.

Internal Controls

The Company's management, through the Board of Directors of the Company has the responsibility to conduct its business operations and affairs in compliance with applicable corporate laws, in accordance with securities laws and regulations, and maintain proper corporate governance standards and practices. A number of internal controls policies and procedures have been designed and established by the Company to provide guidance for the proper conduct of its business operations.

Management reviews its internal control practices and policies on an ongoing basis and makes improvements and introduces additional internal controls procedures relevant to its business as it continues to expand its operations. The Company continually reviews, updates and enhances its policies and procedures to improve the overall quality of the internal controls over its business operations particularly with respect to its mining exploration costs and the annual corporate operating expenses.

CORPORATE INFORMATION

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Additional Information

Additional information about the Company is available on SEDAR at **www.sedar.com.**