TRANSATLANTIC MINING CORP.
(FORMERLY ARCHEAN STAR RESOURCES INC.)

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MANAGEMENT DISCUSSION AND ANALYSIS

Accompanying the September 30, 2015 Consolidated Interim Financial Statements

This Management Discussion and Analysis ("MD&A"), prepared as of November 30, 2015, should be read in conjunction with the Company's consolidated interim financial statements and the accompanying notes for the nine months ended September 30, 2015, and related notes thereto, which have been reported in Canadian dollars, and prepared in accordance with International Financial Reporting Standards ("IFRS").

This discussion relates to the operations of Transatlantic Mining Corp. (Formerly Archean Star Resources Inc.) and its wholly owned Australian based subsidiary, Archean Star Resources Australia Pty Ltd. (the "**Company**"), during the period up to the date of this report, being November 30, 2015.

Additional information, including press releases, has been filed electronically through the System for Electronic Document Analysis and Retrieval ("**SEDAR**") and is available under the Company's profile at www.sedar.com

FORWARD LOOKING INFORMATION

This MD&A contains certain forward-looking statements and information relating to the Company that are based on the beliefs of management as well as assumptions made by and information currently available to the Company. When used in this document, the words "*anticipate*", "*believe*", "*estimate*", "*expect*" and similar expressions, as they relate to the Company or management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of exploration properties. Such statements reflect the current views of management with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect Management's analysis only as of the date hereof. Readers should be aware the Company is under no obligation to publicly release the results of any revision to these forward-looking statements, which may not reflect circumstances, or occurrences of unanticipated events after the date of this document.

CORPORATE OVERVIEW

The Company was amalgamated under the *Business Corporations Act* (British Columbia) by Certificate of Amalgamation dated January 28, 2011.

On January 28, 2011, the Company was amalgamated under a Plan of Arrangement whereby the Gnaweeda Gold Project ("**Gnaweeda Project**") was spun off from Kent Exploration Inc. ("**Kent**") (now Bayhorse Silver Inc.), a TSX.V company, as a non-taxable dividend to its shareholders of record on January 25, 2011.

The Company is engaged in the acquisition and exploration of mineral property interests. The Company's registered and head office is located at Suite 800 - 1199 West Hastings Street, Vancouver, British Columbia, V6E 3T5.

By the Arrangement Agreement (the "Arrangement") dated March 12, 2010, effectively closing on January 28, 2011, the Company acquired a 100% interest of ASA, an Australian subsidiary of Kent Exploration Inc. ("Kent") (now Bayhorse Silver Inc.), for the issuance of 15,313,295 common shares at fair value of $0.15 to Kent's shareholders on a basis of 4:1. As part of the Arrangement, Kent also agreed to receive 1,000,000 common shares of the Company to settle ASA's shareholder loan in the amount of $164,833.

The transaction has been accounted for using the purchase method of accounting as an acquisition of assets by the Company. The allocation of the purchase price is based on the assets acquired and liabilities assumed measured at the carrying values, which approximated their fair values, at the date of the acquisition.

On July 4, 2014, the Company entered into an agreement with an arm's-length party to dispose of its Gnaweeda property, comprising interests in five tenements in Western Australia. As consideration for the property, the Company received a deposit of AUD $5,000 and received a further AUD $495,000 in the nine months ended September 30, 2015. The Company will receive a further AUD $500,000 upon establishment of a Joint Ore Reserves Committee-compliant mineral resource of at least 150,000 ounces of gold, and AUD $250,000 for every consecutive 50,000 ounces of poured gold sourced from the property, capped at 200,000 ounces of poured gold for a total of AUD$1 million. At December 31, 2014, the Company recognized a receivable of $516,818 (AUD $495,000 plus GST of AUD $50,000) for the payment received after December 31, 2014. The Company realized a loss on sale of the property of $3,191,290, which includes write off of related receivables of $23,480 and prepaid expenses of $8,565.

On December 29, 2014 the Company filed a draft valuation of its Gnaweeda property with the TSXV with respect to the disposition of the property, and obtained TSXV approval on March 31, 2015.

On February 5, 2013, the Company entered into an option and joint venture agreement with American Cordillera Mining Corporation ("AMCOR"), and Northern Adventures LLC ("NALLC") whereby it has the right to earn 80% of AMCOR's 100% leasehold Interest in a Purchase Option Mining Lease Agreement between AMCOR and NALLC on the Monitor Property.

On March 12, 2015, the Company signed an amended agreement which confirmed that the first US$700,000 in expenditures has been satisfied, the second US$700,000 in expenditures is extended to February 6, 2016, and the third US$700,000 in expenditures is extended to February 5, 2017. In exchange for this extension, the Company must pay additional consideration of 1,500,000 common shares and $25,000 within 20 days of execution of the amendment.

During the nine months ended September 30, 2015, the additional consideration of 1,500,000 common shares was issued and the $25,000 cash was paid.

The Company shall have the right to exercise a buyout clause and thereby purchase a 100% interest in the Property from NALLC, and thereby terminate the Mining Lease. Upon exercise of this buy-out option, AMCOR shall be obligated to contribute 20% of the cost of the acquisition of the property.

On September 1, 2015, the Company has entered into an agreement to extend the time within which it is required to incur certain expenditures in order to earn an 80% interest in the Monitor Property, Idaho. Under the original Option and Joint Venture Agreement with the property owners, the Company was required, among other things, to incur US$2,100,000 in expenditures on the property, of which US $700,000 was required to be expended by February 22, 2014, US$700,000 was required to be expended by February 22, 2015, and US$700,000 was required to be expended by February 22, 2016. By an amendment agreement with the property owners, the Company's incurrence of the first US$700,000 in expenditures is

acknowledged, the date by which the second US$700,000 is required to be expended has be extended to February 6, 2016 and the date by which the final US$700,000 is required to be expended has been extended to February 5, 2017. As consideration for the extension, the Company has agreed to pay US$25,000 and issue to the property owners 1,500,000 common shares.

The Company has entered into a lease agreement with the landowner of the St. Lawrence parcel of patented (private) land on the Montana/Idaho border. The land is adjacent to the Richmond/Monitor project and will provide increased access to the old underground workings. The Company has been granted a permit to access these workings and plans to begin underground exploration in the coming weeks with a view to mining a 10,000 tonne parcel of ore for testing purposes, before the end of 2015. Under the lease agreement the landowner leases to the Company the St. Lawrence property, including all appurtenant mining, surface, access and other rights, for an initial term of 25 years with one option to renew for an additional 25 years. As consideration, the landowner will receive 1,300,000 common shares of the Company and a 1% net smelter returns (NSR) royalty from any production from all of the Monitor/Richmond project lease area. The landowner may terminate the lease after seven years if he has not received during that period NSR or equivalent cash payments totalling at least US$150,000. The landowner may also terminate the lease after three years if the Company has not incurred by that time at least US$100,000 in expenditures on the St. Lawrence property. The landowner will also receive an annual maintenance fee of US$10,000 on each anniversary date of the agreement.

During the year ended December 31, 2014, the Company paid a fine of $50,641 to the US Department of Agriculture ("USDA") to resolve the Forest Service's resource damage claim, which was recognized in comprehensive loss.

During the year ended December 31, 2014 and pursuant to a resolution passed by shareholders, the Company changed its name from Archean Star Resources Inc. to Transatlantic Mining Corp.

The Company's shares trade on the TSX Venture Exchange ("**TSX.V**") under the symbol "TCO".

OVERALL PERFORMANCE / DISCUSSION OF OPERATIONS

The Company's business is the acquisition, financing, and exploration of prospective mineral properties in areas of low political risk, close to support facilities and with ready, all weather access.

The Company has earned 100% of Teck Australia Pty Ltd. ("**Teck**") 87.07% interest in Chalice Gold's Gnaweeda gold property and an Option Agreement to acquire an 80% interest in a Mining Lease on the Monitor Copper Gold Project in the Coeur D'Alene Mining District, Idaho.

Gnaweeda Gold Project

The Gnaweeda Project is located 35 kilometers NE of the town of Meekatharra in the Murchison Province of Western Australia. Twenty kilometers to the west, the Meekatharra-Wydgee Greenstone Belt hosts several >1 million ounce gold deposits, including the Big Bell, Meekatharra, and Reedy deposits.

Gnaweeda hosts several gold prospects on two contiguous tenements over a 28 kilometer strike length of highly prospective rocks in the Archean-age Gnaweeda Greenstone Belt, including small historic gold workings at Bunarra and several gold prospects discovered by Newcrest Mining in the 1990s. Numerous other targets have been identified from geophysics.

Two new tenements, a 6 square kilometer addition in the north-west of Tenement E51/927 to cover an extension of a geophysical/structural anomaly, and a 6 square kilometer addition on the east side of Tenement E51/926 to cover a geophysical anomaly that extends off that tenement have been added to Gnaweeda.

As of December 31, 2014 and including prior expenditure by the Company while it was a wholly owned subsidiary of Kent, the Company has expended, for the purposes of the Teck agreement, AUD$3,270,822 of the required AUD$3,000,000, and has earned, subject to a 75% back in right, 100% of Teck's interest on the Gnaweeda Project.

As at September 30, 2015, ASA spent AUD$2,920,377 (December 31, 2014 - AUD$2,920,377), before 12% charges on the expenditures for administrative services, on the Gnaweeda Gold Property. After the addition of the allowable 12% administration charges, ASA has spent AUD$3,270,822 (December 31, 2014 – AUD$3,270,822) and has completed the property expenditure requirement for the fourth anniversary payment.

By spending in excess of AUD$3,200,000 in property expenditures, including the permitted 12% administration fee, on the Gnaweeda Gold Project within the time period as outlined in the option agreement, the Company has earned Teck's approximately 87.07% interest in Gnaweeda, subject to a 75% back in right by Teck, and the Company provided Teck with a notice of exercise of the option.

On July 4, 2014, the Company entered into an agreement with an arm's-length party to dispose of its Gnaweeda property, comprising interests in five tenements in Western Australia. As consideration for the property, the Company received a deposit of AUD $5,000 and received a further AUD $495,000 in the nine months ended September 30, 2015. The Company will receive a further AUD $500,000 upon establishment of a Joint Ore Reserves Committee-compliant mineral resource of at least 150,000 ounces of gold, and AUD $250,000 for every consecutive 50,000 ounces of poured gold sourced from the property, capped at 200,000 ounces of poured gold for a total of AUD$1 million. At December 31, 2014, the Company recognized a receivable of $516,818 (AUD $495,000 plus GST of AUD $50,000) for the payment received after December 31, 2014. The Company realized a loss on sale of the property of $3,191,290, which includes write off of related receivables of $23,480 and prepaid expenses of $8,565.

On December 29, 2014 the Company filed a draft valuation of its Gnaweeda property with the TSXV with respect to the disposition of the property, and obtained TSXV approval on March 31, 2015.

Up to the date of this MD&A, all tenements are in good standing with the Western Australia Department of Mines and Petroleum ("**DMP**").

	September 30, 2015 ($)
Gnaweeda Project	
Acquisition Costs	3,657,414
Disposition	(3,657,414)
Monitor Project	
Acquisition Costs	964,302

Monitor Copper Gold Project

The Company entered into an option and joint venture agreement with American Cordillera Mining Corporation ("AMCOR"), and Northern Adventures LLC ("NALLC") whereby it has the right to earn 80% of AMCOR's 100% leasehold Interest in a Purchase Option Mining Lease Agreement between AMCOR and NALLC on the Monitor Property. In order for the Company to earn the 80% interest in the Monitor Property, subject to certain underlying royalties, the Company must:

(i) pay US$25,000 in cash, (paid)

(ii) incur property expenditures of US$2.1 million over three years, of which US$700,000 is a firm commitment; and

(iii) issue 3,000,000 common shares of the Company in stages, of which 1,000,000 common shares were issued upon TSXV acceptance (issued with a fair value of $130,000) (Note 6), a further 1,000,000 common shares on the first anniversary (issued with a fair value of $125,000) (Note 6), and the final 1,000,000 common shares on the second anniversary (issued with a fair value of $125,000).

On March 12, 2015, the Company signed an amended agreement which confirmed that the first US$700,000 in expenditures has been satisfied, the second US$700,000 in expenditures is extended to February 6, 2016, and the third US$700,000 in expenditures is extended to February 5, 2017. In exchange for this extension, the Company must pay additional consideration of 1,500,000 common shares and $25,000 within 20 days of execution of the amendment. During the nine months ended September 30, 2015, the additional consideration of 1,500,000 common shares were issued and the $25,000 was paid.

The Company shall have the right to exercise a buyout clause and thereby purchase a 100% interest in the Property from NALLC, and thereby terminate the Mining Lease. Upon exercise of this buy-out option, AMCOR shall be obligated to contribute 20% of the cost of the acquisition of the property.

If the Company exercises the Option AMCOR shall receive a 20% carried Interest in the Mining Lease until such time as the earlier of:

(a) A NI 43-101 compliant Feasibility Study is done.

(b) The Company has notified AMCOR in writing of its decision to proceed with mining of the property.

At this time, a joint venture shall automatically be deemed to be formed between Transatlantic and AMCOR, where AMCOR will hold a 20% joint venture interest and the Company will hold an 80% joint venture interest in the Monitor claims.

On September 1, 2015, the Company has entered into an agreement to extend the time within which it is required to incur certain expenditures in order to earn an 80% interest in the Monitor Property, Idaho. Under the original Option and Joint Venture Agreement with the property owners, the Company was required, among other things, to incur US$2,100,000 in expenditures on the property, of which US $700,000 was required to be expended by February 22, 2014, US$700,000 was required to be expended by February 22, 2015, and US$700,000 was required to be expended by February 22, 2016. By an amendment agreement with the property owners, the Company's incurrence of the first US$700,000 in expenditures is acknowledged, the date by which the second US$700,000 is required to be expended has be extended to February 6, 2016 and the date by which the final US$700,000 is required to be expended has been extended to February 5, 2017. As consideration for the extension, the Company has agreed to pay US$25,000 and issue to the property owners 1,500,000 common shares.

The Company has entered into a lease agreement with the landowner of the St. Lawrence parcel of patented (private) land on the Montana/Idaho border. The land is adjacent to the Richmond/Monitor project and will provide increased access to the old underground workings. The Company has been granted a permit to access these workings and plans to begin underground exploration in the coming weeks with a view to mining a 10,000 tonne parcel of ore for testing purposes, before the end of 2015. Under the lease agreement the landowner leases to the Company the St. Lawrence property, including all appurtenant mining, surface, access and other rights, for an initial term of 25 years with one option to renew for an additional 25 years. As consideration, the landowner will receive 1,300,000 common shares of the Company and a 1% net smelter returns (NSR) royalty from any production from all of the Monitor/Richmond project lease area. The landowner may terminate the lease after seven years if he has not received during that period NSR or equivalent cash payments totalling at least US$150,000. The landowner may also terminate the lease after

three years if the Company has not incurred by that time at least US$100,000 in expenditures on the St. Lawrence property. The landowner will also receive an annual maintenance fee of US$10,000 on each anniversary date of the agreement.

During the year ended December 31, 2013, the Company paid $14,989 in cash and issued shares with a fair value of $130,000 as acquisition costs for the Monitor Property. During the year ended December 31, 2014, the Company issued shares with a fair value of $125,000 as acquisition costs for the Monitor Property.

The minimum work commitment for 2013 was extended to December 31, 2014 due to problems getting permits issued by U.S. Forest Service.

During the year ended December 31, 2014, the Company paid a fine of $50,641 to the US Department of Agriculture ("USDA") to resolve the Forest Service's resource damage claim, which was recognized in comprehensive loss.

The Company has received from Dr. G.E. Ray, Ph.D P.Geol, a National Instrument 43-101-compliant report on the Monitor Property, during which he conducted a property visit and took mineral samples. The Company has also conducted a safety inspection of the Monitor adit to enable safe access for conducting a survey of the adit.

Mineral property expenditures for the Monitor Property for the period is $1,244,948. The Monitor Property expenses contained in the consolidated interim financial statements for the nine months ended September 30, 2015 are for the nine months from January 1, 2015 to September 30, 2015.

Mineral property expenses are as follows:

	For the Period Ended September 30, 2015		
	Gnaweeda Gold Project ($)	Monitor Property ($)	Total ($)
Acquisition and holding costs	(34,711)	19,022	(15,689)
Assays and analysis	-	10,367	10,367
Drilling contractor	-	377,183	377,183
Field costs and supplies	-	50,239	50,239
Geologists, geophysical contractors, geotechnician	8,295	156,857	165,152
Other rentals	-	14,097	14,097
Travel, accommodation and fuel	-	1,753	1,753
Total	**(26,416)**	**629,518**	**603,102**

Ansongo Manganese Project

The Company has signed a non-binding term sheet with Tassiga Ltd. pursuant to which the Company proposes to initially acquire a 30-per-cent ownership in the Ansongo manganese project, with a three-year option to acquire up to 70 per cent of the project.

The term sheet contemplates the execution of a definitive agreement, on substantially the same terms as the term sheet. The transaction is subject to TSX Venture Exchange acceptance and shareholder approval.

On July 4, 2014, the Company entered into a letter agreement with respect to the acquisition of an interest in the Ansongo Project in Mali, West Africa, which replaces the term sheet of December 10, 2013. Under

the new letter agreement, the Company can acquire, by outright purchase and the exercise of options, up to a 58.31% indirect interest in the Ansongo Project by acquiring issued shares of Ansongo Ltd. (“Ansongo”), which owns an indirect 70.419% interest in the project through various subsidiary companies, as follows:

- The Company has agreed to purchase 3,335 Ansongo shares representing an indirect 4.70% interest in the Ansongo project for $1,000,000;
- The Company has the option to purchase a further 18,259 Ansongo shares representing an indirect 25.72% interest in the Ansongo project by:
    - Incurring a minimum of $3,000,000 in exploration and development expenditures, of which $500,000 is to be incurred within 90 days of TSXV acceptance and a further $500,000 is to be incurred by June 12, 2015; and
    - Issuing to the vendor 30,000,000 common shares of the Company on or before June 30, 2016.
- The company has the option to purchase a further 19,806 Ansongo shares representing an indirect 27.89% interest in the Ansongo project by:
    - Issuing 2,000,000 common shares of the Company, provided the market price for the Company's shares at the time is at least $0.20 per share. If the market price is not at least $0.20 per share, the payment may be made in cash with the agreement of the parties at the rate of $400,000 or the market price at the date of exercise multiplied by 2,000,000, whichever is the greater.

In addition to the foregoing, if after the exercise of the first option and prior to July 30, 2016, the market price for the Company's shares is $0.50 per share or greater, the Company is required to issue to the vendor an additional 5,000,000 common shares of the Company.

The vendor of the Ansongo Project is a private company in which Gregor Theiser, a previous director of the Company, is a shareholder. Accordingly, the transaction is not an arm's-length transaction under TSXV policy.

On December 29, 2014, The Company received a notice of termination with respect to its agreement to acquire an interest in the Ansongo Project. Under the terms of the agreement, the amount paid of $582,670 and expenses incurred of $417,330, for a total of $1,000,000 plus 10% interest is to be returned to the Company. The Company is currently assessing its position with respect to the purported termination. As the recovery of the funds is uncertain, the receivable was written off resulting in an impairment charge of $582,670.

SELECTED ANNUAL INFORMATION

	Year Ended December 31, 2014 $	Year Ended December 31, 2013 $	Year Ended December 31, 2012 $
Revenue	-	-	-
General & Administrative and Other Expenses	1,755,960	1,647,752	713,997
Exploration Expenses	179,582	857,696	598,952
Net Loss and Comprehensive Loss	5,796,263	2,688,409	1,305,344
Net Loss per Share – basic and diluted	0.07	0.04	0.03
Total Assets	836,163	4,743,831	4,056,143

SUMMARY OF QUARTERLY RESULTS

A summary of financial results for the eight most recently completed quarters ending September 30, 2015:

Quarter Ended	General & Administrative and Other Expenses ($)	Exploration Expenses ($)	Net Loss and Comprehensive Loss ($)	Loss Per Share ($)
Sept-30-2015	208,328	379,567	587,895	0.01
Jun-30-2015	192,353	188,056	380,409	0.00
Mar-31-2015	274,413	35,479	309,892	0.00
Dec-31-2014	632,784	73,617	4,567,123	0.07
Sept-30-2014	177,659	22,746	200,405	0.00
Jun-30-2014	355,506	26,432	381,938	0.00
Mar-31-2014	590,011	56,786	646,797	0.01
Dec-31-2013	553,427	(22,976)	713,412	0.01

RESULTS OF OPERATIONS

Nine Months Ended September 30, 2015

The Company did not have any revenues during the nine months ended September 30, 2015 or September 30, 2014. Exploration expenditures of $603,102 were higher by $497,137 than the $105,965 incurred during the nine months ended September 30, 2014 due to the increased exploration activity of the Monitor Property.

General and administration expenses during the nine months ended September 30, 2015 totaled $774,768, which were lower by $336,492 than the $1,111,260 in the same period in 2014. Project investigation costs of $20,234 (2014 - $197,644), consulting fees of $14,234 (2014 - $590,128), filing fees of $33,604 (2014 - $53,769) and promotion of $10,494 (2014 - $20,517) were all lower due to the decrease in corporate activities. These decreases had been partially offset by the increases in management fees of $446,327 (2014 - $29,840) and professional fees of $180,649 (2014 - $168,369).

Three Months Ended September 30, 2015

The Company did not have any revenues during the three months ended September 30, 2015 or September 30, 2014. Exploration expenditures of $379,567 were higher by $356,821 than the $22,746 incurred during the three months ended September 30, 2014 due to increased exploration activity of the Monitor Property.

General and administration expenses during the three months ended September 30, 2015 totaled $229,026, which were higher by $28,495 than the $200,531 in the same period in 2014. Management fees of $245,153 (2014 - $Nil), office of $6,470 (2014 - $3,719), travel of $728 (2014 - $81) and professional fees of $60,045 (2014 - $52,033) were higher due to the increase in corporate activities. These increases had been partially off-set by the decreases of consulting fees of ($101,474) (2014 - $101,917), project investigation costs of $8,867 (2014 - $26,634) due to the decrease in corporate activity and the continued drilling at the Monitor Project during the three months ended September 30, 2015.

LIQUIDITY AND CAPITAL RESOURCES

As of September 30, 2015, the Company had working capital of $188,623 compared to $124,422 as of the year ended December 31, 2014.

During the nine months ended September 30, 2015, the Company received the equivalent of $1,421,033 for share subscriptions.

During the nine months ended September 30, 2015, a total of 5,300,000 common shares were issued at $0.125 for the acquisition costs for the Monitor Property for gross consideration of $662,500.

During the year ended December 31, 2014, the Company received the equivalent of $1,323,086 for share subscriptions. During the year ended December 31, 2014, the Company issued 1,000,000 common shares with a fair value of $125,000 pursuant to the Monitor Property agreement.

The Company is in the mineral exploration and development business and is exposed to a number of risks and uncertainties inherent to the mineral resource industry. This activity is capital intensive at all stages and subject to fluctuations in metal prices, market sentiment, currencies, inflation and other risks. The Company currently has no source of material revenue, and relies primarily on equity financings to fund its exploration, development and administrative activities.

Material increases or decreases in the Company's liquidity will be substantially determined by the success or failure of its exploration and development activities, as well as its continued ability to raise capital. The current recessionary credit conditions have severely limited the Company's ability to raise financing through its usual methods and if these conditions persist they will materially decrease the Company's liquidity and capital resources.

The Company's ability to continue as a going concern is dependent on continued financial support from its shareholders, and the ability of the Company to raise equity. While management has been successful in obtaining additional sources of finance in the past, there can be no assurance that it will be able to do so in the future.

RELATED PARTY TRANSACTIONS

The following table summarizes services provided by related parties:

	Nine Months Ended September 30, 2015 ($)	Nine Months Ended Setember 30, 2014 ($)
Management (a)	135,000	29,840
Professional fees (b)	-	68,811
Consulting (c)	341,327	380,148
	476,327	**478,799**

(a) The Company paid management fees of $90,000 (September 2014 - $Nil) to Rob Tindall, a director and Chief Executive Officer.

The Company paid management fees of $45,000 (September 2014 - $Nil) to Steve Hodgson, a director.

The Company paid management fees of $Nil (September 2014 - $29,840) to AN Consulting, a company controlled by a former Chief Executive Officer.

(b) The Company paid accounting fees of $Nil (September 2014 - $68,811) to Bridgemark, a company controlled by the former Chief Financial Officer.

(c) The Company paid consulting fees of $341,327 (September 2014 - $Nil) to Bernie Sostak, a director.

The Company paid consulting fees of $Nil (September 2014 - $380,148) to Gregor Theiser, former director and Chief Executive Officer.

At December 31, 2014, the Company wrote off $582,670 receivable (December 31, 2013 - $522,280) receivable from Tassiga, which is related to Gregor Theiser, a former director and Chief Executive Officer.

As of September 30, 2015, $332,150 (December 31, 2014 - $352,354) is due to related parties for the services above.

Amounts due to/from related parties are unsecured, non-interest bearing and have no fixed terms of repayment. The above transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, receivables, due to/from related parties, and accounts payable and accrued liabilities. Cash and cash equivalents and receivables are classified as loans and receivables, which are measured at amortized cost. Accounts payable is designated as other financial liabilities, which are measured at amortized cost.

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

- Level 3 – Inputs that are not based on observable market data.

As at September 30, 2015 the Company believes that the carrying values of accounts payable and accrued liabilities approximate their fair values because of their nature and relatively short maturity dates or durations.

Industry risk: The Company is engaged primarily in the mineral exploration field and manages related industry risk issues directly. The Company is potentially at risk for environmental reclamation and fluctuations in commodity based market prices associated with resource property interests. Management is of the opinion that the Company addresses environmental risk and compliance in accordance with industry standards and specific project environmental requirements.

Credit risk: Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is in its cash accounts and its receivables. This risk is managed through the use of a major bank that is a high credit quality financial institution as determined by rating agencies. The Company's receivables relate to sales taxes from the Governments of Canada and Australia and a receivable for the disposition of the Gnaweeda property. The risk associated with its receivables is minimal.

Currency risk: Currency risk is the risk that the value of financial instruments denominated in foreign currencies will fluctuate due to changes in foreign exchange rates. The Company's functional currency is the Canadian dollar. The Company is exposed to currency exchange rate risk to the extent of its activities in the Australia. The Company's currency risk is presently limited to approximately $19,704 of net exposure denominated in Australian dollars. Based on this exposure as at September 30, 2015, a 5% change in the exchange rate would give rise to a change in net loss of $985. Management believes the foreign exchange risk derived from currency conversions from the Australian operations is not significant and does not hedge its foreign exchange risk.

Future changes in exchange rates could have a material effect on the Company's business, financial condition and results of operations.

Interest rate risk: Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk is not significant as the Company's assets and liabilities do not bear any interest.

Liquidity risk: Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Liquidity risk arises through the excess of financial obligations due over available financial assets at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available capital in order to meet its liquidity requirements. Funding risk is the risk that market conditions will impact the Company's ability to raise capital through equity markets under acceptable terms and conditions. Under current market conditions, both liquidity and funding risk are assessed as high.

Capital management: The Company manages its capital structure based on the funds available to the Company, in order to fund its general and administration expenses, support acquisition, maintenance, exploration, and development of mineral properties.

The Board of Directors has not established any quantitative return on capital criteria for management, instead relying on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has interests are in the exploration stage so the Company is dependent on external financing to fund its activities. In order to carry out activities and administration, the Company will spend its existing working capital and raise additional amounts as needed. The Company is not subject to any externally imposed restrictions on capital. There were no changes in the Company's approach to capital management during the period.

SHARE CAPITAL

The Company's authorized share capital consists of an unlimited number of common shares without par value. As of November 30, 2015, the total number of issued and outstanding common shares is 116,257,692 common shares.

On March 18, 2015, the Company issued 1,000,000 common shares of the Company as a part of the second anniversary payment for the Monitor Property.

On April 21, 2015, the Company issued 1,500,000 common shares for the additional consideration established on March 12, 2015 as part of the amended agreement for the Monitor Property.

On September 4, 2015, the Company issued 2,800,000 common shares pursuant to the Monitor Property.

Options

On March 27, 2013, the Company issued 800,000 options, with an exercise price of $0.18 and life of 5 years, to the previous Chief Executive Officer of the Company.

During the year ended December 31, 2013, the Company issued 275,000 common shares upon the exercise of 275,000 incentive stock options at $0.10 per share for gross proceeds of $27,500.

As at September 30, 2015 and as of the date of this report, the following stock options were outstanding and exercisable:

Number	Weighted Average Exercise Price ($)	Expiry Date	Weighted Average Remaining Contractual Life (in years)
1,786,000	0.10	April 9, 2017	1.52
500,000	0.10	December 14, 2017	2.20
2,286,000	0.10		1.67

Warrants

During the year ended December 31, 2013, the Company issued 700,000 finders' fee warrants with a fair value of $68,549 pursuant to private placements.

As of the date of this report, the following warrants were outstanding and exercisable:

Number	Weighted Average Exercise Price ($)	Expiry Date	Weighted Average Remaining Contractual Life (in years)
8,333,333*	0.12	December 14, 2015**	0.20
3,460,611	0.10	October 19, 2018	3.05
11,793,944	0.11		1.04

*On December 12, 2014, the expiry date was extended from December 14, 2014 to December 14, 2015.

CHANGES IN ACCOUNTING POLICIES

Accounting standards issued but not yet effective

Unless otherwise noted, the following revised standards and amendments are effective for the Company for annual periods beginning on or after January 1, 2015 (unless otherwise noted) with earlier application permitted. The Company has not yet assessed the impact of these standards and amendments or determined whether it will early adopt them.

IFRS 9, Financial Instruments, is a partial replacement of IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 introduces new requirements for the classification and measurement of financial assets, additional changes relating to financial liabilities, a new general hedge accounting standard which will align hedge accounting more closely with risk management. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted.

The Company has not early adopted this revised standard and is currently assessing the impact that it will have on its financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off balance sheet arrangements.

MANAGEMENT CHANGES

On March 2, 2015, the Company announced that Steve Hodgson has joined the Board of Directors as an independent director.

SUBSEQUENT EVENTS

a) On October 9, 2015 the Company, announces that it has now received the approval of the TSX Venture Exchange (the "Exchange") to its Stock Option Plan (the "Plan"), which received disinterested shareholder approval at the Annual General Meeting held May 29, 2015.

   The Plan is a fixed plan that reserves a maximum of 20,692,850 common shares for the issuance of stock options. Shares reserved under Plan options that expire, terminate or otherwise cease to be exercisable will become available for the issuance of future options under the Plan. Options under the Plan may be granted at the Discounted Market Price, as defined in the policy of the Exchange, at the time of the grant. The Plan contains the limitations required by Exchange policy on the number of shares that may be optioned to consultants and persons providing investor relations services, and other restrictions and conditions required by Exchange policy.

b) On October 19, 2015, the Company announced that it has closed a shares for debt transaction resulting in the issue of 32,007,370 common shares at $0.10 per share, thereby eliminating obligations owed to investors under the originally announced private placements in the sum of $3,200,737. Robert Tindall (as to debt of $57,694), Bernie Sostak (as to debt of $216,877.50) and Steve Hodgson (as to debt of $228,650), all related parties of the Company under Exchange policy 5.9, participated in the shares for debt transaction and received 5,032,215 common shares in the aggregate.

As consideration for locating subscribers under the originally announced private placements, the Company has issued to GTG Advice Pty Ltd. of Queensland, Australia, warrants for the purchase of 3,460,611 common shares, exercisable for three years at a price of $0.10 per share.