



**ROCKCLIFF**  
Copper Corporation

**MANAGEMENT'S DISCUSSION AND ANALYSIS –  
QUARTERLY HIGHLIGHTS  
FOR THE THREE AND NINE MONTHS ENDED  
DECEMBER 31, 2016**

FEBRUARY 28, 2017

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### Introduction

The following Management's Discussion and Analysis ("MD&A") of Rockcliff Copper Corporation (the "Company") (formerly Solvista Gold Corporation) is dated February 28, 2017, unless otherwise indicated, and has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management discussion & analysis, being the Management Discussion & Analysis ("Annual MD&A") for the fiscal year ended March 31, 2016. This MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A.

This MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual consolidated financial statements for the years ended March 31, 2016 and 2015, together with the notes thereto, and unaudited condensed interim consolidated financial statements for the three and nine months ended December 31, 2016, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim consolidated financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. The results presented for the three and nine months ended December 31, 2016 are not necessarily indicative of the results that may be expected for any future period.

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

### Cautionary Note Regarding Forward-Looking Statements

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would",

“should”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-looking statements	Assumptions	Risk factors
<p>Regardless of whether or not the Company discovers a significant precious or base metal deposit, the Company’s working capital of \$1,848,578 as at December 31, 2016, is anticipated to be adequate for it to continue operations for the twelve-month period ending December 31, 2017.</p>	<p>The operating and exploration activities of the Company for the twelve month period ending December 31, 2017, and the costs associated therewith, will be primarily associated with the Company’s Manitoba properties.</p>	<p>There are no material risk factors that the Company is aware of that would prevent the Company from funding its operations for the twelve month period ending December 31, 2017.</p>
<p>The Company’s properties may contain economic deposits of copper, gold, zinc and silver.</p>	<p>The Company will fund the costs of its exploration activities on its Manitoba properties from its own cash reserves; the actual results of the Company’s exploration and development activities will be favourable; operating, exploration and development costs will not exceed the Company’s expectations; the Company will be able to retain and attract skilled staff; all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company, and applicable political and economic conditions are favourable to the Company; the price of copper, gold, zinc and silver and exchange rates will be favourable to the Company; no title disputes exist or will exist</p>	<p>Copper, gold, zinc and silver price volatility; uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company’s expectations; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; exchange rate fluctuations; changes in economic and political conditions; the Company’s ability to retain and attract skilled staff.</p>

	with respect to the Company's properties. Please refer to "Risk Factors".	
The Company will be able to carry out anticipated business plans, including costs and timing for future exploration on its property interests.	The exploration activities of the Company for the twelve-month period ending December 31, 2017, and the costs associated therewith, will be consistent with the Company's current expectations; financing will be available for the Company's exploration and development activities and the results thereof will be favourable; the Company will be able to retain and attract skilled staff; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company; the Company will not be adversely affected by market competition; the price of copper, gold, zinc and silver will be favourable to the Company; no title disputes exist with respect to the Company's properties.	Copper, gold, zinc and silver price volatility, changes in equity markets; timing and availability of external financing on acceptable terms; the uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; exchange rate fluctuations; changes in economic and political conditions; the Company may be unable to retain and attract skilled staff; receipt of applicable permits.
Management's outlook regarding future trends.	Financing will be available for the Company's exploration and operating activities; the price of copper, gold, zinc and silver will be favourable to the Company.	Copper, gold, zinc and silver price volatility; changes in debt and equity markets; exchange rate fluctuations; changes in economic and political conditions.

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

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by

forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

## Description of Business

The principal business of the Company, which was incorporated on July 19, 2010, is the acquisition, exploration and development of properties for the mining of precious and base metals in stable jurisdictions. The Company has exploration properties in Manitoba.

The Company is a reporting issuer in the provinces of British Columbia, Alberta, Manitoba and Ontario and trades on the TSX Venture Exchange (“TSX-V”) under the symbol “RCU”. On October 21, 2015, the Company changed its name from Solvista Gold Corporation to Rockcliff Copper Corporation.

## Overall Performance

(i) On April 1, 2016, the Company entered into a services agreement for certain capital markets and market-making activities for a term of 12 months to March 31, 2017, subject to two months termination notice. Under the terms of the agreement, the Company will pay \$4,200 per month in fees and granted 100,000 options exercisable at \$0.10 per share valid for a term of five years and vesting 1/4 every 3 months.

(ii) On April 5, 2016, the Company granted 3,450,000 options to certain officers, directors and employees exercisable at \$0.05 per share valid for a term of five years and vesting 25% immediately, with an additional 25% vesting on the first, second and third anniversaries of the date of grant, respectively.

(iii) On June 22, 2016, the Company granted 150,000 options to a consultant exercisable at \$0.10 per share valid for a term of one year which vested immediately.

(iv) In July 2016, 76,875 warrants with an exercise price of \$0.055 were exercised for proceeds of \$4,228.

(v) On August 17, 2016, the Company announced the closing of a non-brokered private placement of 28,571,428 units at a price of \$0.07 per unit for gross proceeds of \$2,000,000. Each unit consisted of one common share and one-half of a common share purchase warrant. Each full warrant entitles the holder to purchase one common share at a price of \$0.10 for two years from closing.

Eligible finders were paid cash fees of \$54,956 and 785,086 broker warrants. Each broker warrant entitles the holder to acquire one common share of the Company at \$0.07 for a period of two years from closing.

All securities issued pursuant to the above referenced private placement are subject to a four month hold period expiring on December 17, 2016.

Insiders of the Company subscribed for 910,000 units. Norvista Capital Corporation (“Norvista Capital”) subscribed for 7,142,857 units for proceeds of \$500,000 and Norvista Capital 1 Limited Partnership (“Norvista LP”) subscribed for 7,142,857 units for proceeds of \$500,000. Four of the six directors of the Company are also directors and/or officers of Norvista Capital or Norvista LP. Norvista Capital and Norvista LP previously did not hold any common shares of the Company. The private placements by Norvista Capital and Norvista LP have been approved by the disinterested directors of the Company.

(vi) During the period ended December 31, 2016, the Company acquired an option to earn a 100% interest in the Laguna Gold Property, located in the Snow Lake District in Manitoba as described below.

(vii) During the period ended December 31, 2016, the Company acquired an option to earn a 100% interest in the Bur property, located in the Snow Lake District in Manitoba, from Hudson Bay Mining and Smelting Co., Limited, a wholly-owned subsidiary of HudBay Minerals Inc. (“HudBay”) as described below.

(viii) During the period ended December 31, 2016, the Company acquired a 100% interest in the MacBride property located in the Leaf Rapids District in Manitoba, for cash of \$58,275. \$8,275 (the “Cash in Lieu”) was paid by the vendor in lieu of work to keep the property in good standing and following closing, the Cash in Lieu shall to paid to the Company upon completion of sufficient work on the property and filing of same to allow for the release of the Cash in Lieu.

The vendor will retain a 2.0% NSR on the property of which one 1.0% NSR can be purchased at any time for \$500,000 per 0.5% NSR. The vendor’s remaining NSR will be subject to a first right of refusal in favour of the Company.

(ix) During the period ended December 31, 2016, the Company has acquired an option to earn a 100% interest in the Snow Lake Gold Property as described below.

(x) During the period ended December 31, 2016, the Company has acquired an option to earn a 100% interest in the Morgan property (Morgan Lake, Woosey Lake and Cook Lake properties), located in the Snow Lake District in Manitoba. The Company will earn its interest by paying by paying Copper Reef Mining Corporation (“Copper Reef”) \$100,000 cash and 200,000 common shares on closing (paid and issued), a further \$50,000 cash and 400,000 common shares within 6 months and a final 1,000,000 common shares within 12 months. Copper Reef will retain a 2% NSR on the Morgan Lake property, which is subject to a 10% net profits interest royalty in favour of the original owner, a 2% NSR on the Woosey Lake property and a 1% NSR on the Cook Lake property, which is also subject to a 2% NSR in favour of a former joint venture party. A third party holds certain rights in respect of the Morgan Lake property and Cook Lake property including a back-in right to acquire a 60% interest in these properties if a mineral resource is identified with 225,000 tonnes of contained copper equivalent or a 20% back-in right if the Company transfers these properties to a major company. If the Company commences

commercial production on the Morgan property, it will pay an advance royalty payment to Copper Reef of \$1,000,000. The Company at any time will have the right to purchase one-half of the Copper Reef NSRs for \$1,000,000 and will retain a Right of First Refusal on Copper Reef's remaining NSRs.

(xi) During the period ended December 31, 2016, 3,745,338 warrants were exercised for gross proceeds of \$301,308.

The primary business of the Company is to explore for and develop base and precious metals deposits on its Snow Lake Project in Manitoba, Canada. The Snow Lake Project comprises the Talbot Property, the Rail Property, the Bur Property, the Laguna Property, the Snow Lake Gold Property, the MacBride Property, the Lon-Dickstone North Properties, the Freebeth Property, the Morgan Property, the Penex Property, the Jackfish Property and the Tramping Property (collectively, the "Snow Lake Project"). The Company's four principal properties are the Talbot Property, the Rail Property, the Bur property and the Laguna Property. The Company's focus is to earn its interest in the Talbot Property, the Bur Property, the Laguna Property and the Snow Lake Gold Property and to pursue further exploration of its Rail Property on its Snow Lake Project in Manitoba.

## **THE SNOW LAKE PROJECT**

### **Talbot Property**

The Company is earning a 51% interest in the Talbot Property, totalling 11,567 hectares in size, from Hudson Bay Exploration and Development Company Limited ("HBED"), a wholly-owned subsidiary of HudBay by spending \$6.12 million over 6 years. The property is located in Manitoba.

The deposit is located proximal to numerous untested pulse and bore hole geophysical anomalies. These "high priority drill targets" have similar geophysical features similar to the Talbot deposit's geophysical targets.

The potential for expansion of the Talbot deposit and additional copper discoveries proximal to the deposit is considered to be excellent.

The first phase of the Company's winter, 2015 surface geophysical ("DPEM") program at the Talbot Property focused on historical geophysical anomalies centered around the high grade Talbot Property. Additional geophysics concentrated north of the deposit where two historical drill holes intersected multiple highly anomalous copper lenses coincident with an airborne VTEM anomaly. A total of over 40 line km of DPEM geophysics have been completed.

The first two year's expenditure requirement on the Talbot Property has been satisfied and signed off by HudBay. As of December 31, 2016, total expenditures in the amount of approximately \$2,614,000 have been recorded. As a result, the Company has exceeded the third and fourth year commitments on the property, subject to review by HudBay. The fifth year commitment is due April of 2019.

The Company applied for and was granted a drill permit based on preliminary findings of the present survey. On August 27, 2015, the Company announced the commencement of a first phase drill program which was completed in November. A total of 10 drill holes totalled over 5,000m successfully identified a high grade copper corridor within the Main Lens of the Talbot Deposit and extended the deposit northwards. It also discovered a new Volcanogenic Massive Sulphide (“VMS”) zone located 2.5km north of the Talbot Deposit termed the “North Copper Zone” and identified additional copper grades that require follow-up drilling to determine their economic significance. As a result of the success of the drill program and of past drill results completed by HudBay, the Company commissioned Roscoe Postle Associates (“RPA”) to complete an initial NI 43-101 report on the Talbot Deposit.

On February 4, 2016, the Company announced a NI 43-101 Inferred Resource on the Talbot deposit from the completion of a NI 43-101 technical report titled “Technical Report on the Talbot Property, Manitoba, Canada”, dated January 25, 2016 and completed by RPA.

The Inferred Mineral Resource Statement prepared by RPA for the Talbot Deposit is detailed below.

#### **Inferred Mineral Resource Statement, Talbot Deposit, Manitoba, RPA, January 26, 2016**

<b>Zone</b>	<b>Tonnes (kt)</b>	<b>Grades</b>				<b>Contained Metal</b>			
		<b>Cu (%)</b>	<b>Au (g/t)</b>	<b>Zn (%)</b>	<b>Ag (g/t)</b>	<b>Cu (Mlb)</b>	<b>Au (koz)</b>	<b>Zn (Mlb)</b>	<b>Ag (koz)</b>
Talbot Main	1,441.0	3.4	2.6	2.4	61.0	107.0	118.6	76.4	2,827.8
Talbot Main FW	443.9	2.2	2.0	2.4	55.6	22.0	28.5	23.2	793.8
North Lens	283.4	0.7	2.0	1.3	20.6	4.6	18.3	7.9	187.6
<b>Total</b>	<b>2,168.3</b>	<b>2.8</b>	<b>2.4</b>	<b>2.2</b>	<b>54.6</b>	<b>133.6</b>	<b>165.4</b>	<b>107.4</b>	<b>3,809.3</b>

#### Notes:

1. CIM definitions were followed for the estimation of Mineral Resources.
2. Mineral resources are estimated at a cut-off grade of \$140 Net Smelter Return (NSR) (equivalent to a copper NSR cut-off of 2.0%) using metal prices, estimated recoveries and offsite payments.
3. Mineral Resources are estimated using a long-term copper price of US\$3.50 per pound, gold price of US\$1450 per ounce, zinc price of US\$1.25 per pound and silver price of US\$22 per ounce.
4. An US\$/C\$ exchange rate of 1.18 was used.
5. A minimum mining width of 2 m was used.
6. The average bulk density is 3.2 t per cubic meter.
7. Numbers may not add due to rounding.
8. Given the tonnage, grade and orientation of the deposit, RPA considers the Talbot Deposit to be reasonably amenable to extraction using underground mining methods.
9. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

#### **Resource Estimation Methodology**

An initial Mineral Resource estimate was carried out by RPA using a block model constructed in Datamine Studio 3, constrained by wireframes generated in Leapfrog Geo version 3. Densities were assigned using stoichiometry. Assay values were capped and composited to the full intercept length. Block grades were interpolated using a three pass search strategy and Inverse

Distance raised to the fourth power (ID4). Block estimates were validated using visual inspection; comparison between composite sample and block means, and swath plots.

The Inferred Resource Estimate for the Talbot Deposit is classified as an "Inferred" Mineral Resource, and was classified in accordance with guidelines established by the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") "Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines" dated November 23, 2003 and CIM "Definition Standards for Mineral Resources and Mineral Reserves" dated May 10, 2014. The drill hole database to support the Talbot Mineral Resource estimate is comprised of 45 drill holes drilled between 2003 and 2015 for a total of 27,044 m of drilling. Based on the current data available supporting the Mineral Resource Estimate, all material above the Mineral Resource cut-off grade was classified as Inferred.

Mineral Resources are estimated using a long-term gold price of US\$1,450 per ounce, silver price of US\$22 per ounce, copper price of US\$3.50 per pound, and zinc price of US\$1.25 per pound. An NSR cut-off value of \$140 was used for reporting of Mineral Resources. Metal prices used for reserves are based on consensus, long term forecasts from banks, financial institutions, and other sources. For resources, metal prices used are slightly higher than those that would be used for reserves. RPA routinely updates metal forecasts based on the sources described above. The metal prices used for the Talbot Mineral Resource estimate were based on forecasts as of October 2015. RPA notes that the selected gold and copper prices are also consistent with that used by major mining gold producers for their year-end resource disclosure. A minimum thickness criteria of two metres was applied for reporting purposes.

On October 16, 2016, the Company announced the commencement of a second phase drill program to include between 10-12 holes totalling approximately 5,000 meters and will focus on three areas identified in last year's first phase drill program. The three areas are: 1) the Talbot deposit main lens and north lens where drilling identified a high grade copper corridor within the main lens and a potential extension of the north lens of the deposit, 2) the north copper zone where shallow drilling intersected copper mineralization at the very top edge of a large untested bore hole geophysical target immediately below the known mineralization, and 3) the central anomaly, located 2 km southeast of the Talbot deposit, where the anomaly is similar in size and conductance to the geophysical anomaly associated with the Talbot deposit.

Between November 1, 2016 and February 16, 2017 the Company announced significant assays from multiple VMS-rich lenses on the second phase drill program at the Talbot property. Hole TB-011, TB-012, TB-013, TB-014, TB-016 and TB-017 intersected the following mineralized intercepts tabled below.

Hole #	From (m)	To (m)	Length (m)	Cueq (Copper equivalent %)	Copper %	Gold g/t	Zinc %	Silver g/t	Comments
TB-011	701.05	707.4	6.35	2.0	1.3	0.50	0.4	14.6	Talbot Deposit(TD)- New HW lens
includes	701.05	704.55	3.50	2.8	1.9	0.73	0.3	22.0	
and	713.2	719.47	6.27	9.0	3.5	4.82	2.7	57.8	TD-main lens
includes	713.2	714.92	1.72	20.4	7.0	12.21	5.6	136.2	
and	731.31	738.53	7.22	3.6	2.5	0.62	1.0	18.5	TD-footwall (FW) lens
includes	732.69	736.78	4.09	4.2	2.9	0.61	1.3	21.4	
TB-012	840.62	853.19	12.57	2.1	1.2	0.92	0.2	10.2	TD-main lens
includes	847.89	853.19	5.30	3.9	2.0	1.94	0.3	20.0	
TB-013	571.26	578.42	7.06	4.1	1.3	1.28	3.3	29.1	TD-north lens
includes	571.36	573.15	1.79	7.8	2.8	3.0	4.6	55.5	
TB-014	621.66	624.27	2.61	2.4	1.2	1.1	0.3	20.9	TD-north lens
TB-016	849.38	855.01	5.63	5.9	2.6	2.94	1.7	23.0	TD-main lens
And	865.77	869.16	3.39	1.4	0.6	0.24	1.0	5.60	TD-FW lens
TB-017	774.37	790.45	16.08	3.5	0.9	2.73	0.7	15.2	TD-main lens
includes	786.94	790.45	3.51	5.2	1.7	4.11	0.3	19.8	

(m) = metres represents down the hole thickness as true thickness is not currently known, % = percentage, g/t = grams per tonne, \*copper equivalent value used US\$2.50/pound copper, US\$1300/ troy ounce gold, US\$1.15/pound zinc and US\$20 /per ounce silver, 100% metal recoveries were applied, copper equivalent calculation is:  $CuEq = Cu\ grade + ((Zn\ grade\%/100 \times Zn\ price) + (Au\ grade\ gpt \times Au\ price/gram) + (Ag\ grade\ gpt \times Ag\ price/gram))/Cu\ price \times 100$ . The numbers may not add up due to rounding.

## Talbot Mineralization and Exploration Potential

The high grade gold rich Talbot copper deposit is defined as a stratabound, volcanogenic massive sulphide deposit consisting of several lenses of coarse grain to stringer to massive sulphides of pyrite, chalcopyrite, sphalerite and pyrrhotite in a quartzofeldspathic gneiss. Drilling has successfully extended the Talbot deposit north lens north of the existing resource as well as establish a much thicker area within the Talbot deposit main lens. The deposit remains open at depth, to the south and to the north. Additional drilling will focus on geophysical targets associated below the Talbot deposit north lens (north lens deep conductive plate) and the north copper zone (located approximately 2.5 kilometres north of the Talbot deposit. The depositional environment of the Talbot Property is similar to that of present and past producing base metal deposits of felsic to mafic volcanic and volcanoclastic rocks in the Flin Flon – Snow Lake Greenstone Belt.

## Quality Control and Quality Assurance

Samples of half core are packaged and shipped directly from the Company's field office to TSL Laboratories ("TSL"), Saskatoon, Saskatchewan. TSL is a Canadian assay laboratory and is accredited under ISO/IEC 17025. Each bagged core sample is dried, crushed to 70% passing 10 mesh and a 250g pulp is pulverized to 95% passing 150 mesh for assaying. A 0.5g cut is taken from each pulp for base metal analyses and leached in a multi acid (total) digestion and then analyzed for copper, lead, zinc and silver by atomic absorption. Gold concentrations are

determined by fire assay using a 30g charge followed by an atomic absorption finish. Samples greater than upper detection limit (3000 ppb) are reanalyzed using fire assay gravimetric using a 1 AT charge. The Company inserted certified blanks and standards in the sample stream to ensure lab integrity. The Company has no relationship with TSL other than TSL being a service provider to the Company.

The Company can earn a 51% interest in the Talbot Property from HBED by spending \$6,120,000 on exploration expenditures over six (6) years. The first, second, third and fourth year expenditure commitments are \$200,000 (completed) and \$400,000 (completed), \$700,000 (completed) and \$1,050,000 (completed), respectively, with escalating expenditure commitments over the remaining years. The agreement provides that once the Company has earned its 51% interest in the Talbot Property, the Company (51%) and HudBay (49%) will form a joint venture and the Company will be the Operator of the joint venture. Provided HudBay contributes its pro rata (49%) share of expenditures under the joint venture, it will have two years from the date the Company earns its 51% interest to purchase an additional 2% interest for a cash payment of \$240,000 and either incurring expenditures over a two year period equivalent to 2% of the joint venture expenditures made since the formation of the joint venture or paying such amount to the Company in cash. If HudBay acquires the additional 2%, it will become the Operator of the joint venture. Once a positive Feasibility Study has been completed and mining development has commenced, the Operator can increase its interest in the Talbot Property to 65% by paying the other participant a cash payment equal to the pro rata share of expenditures made by the other participant to reduce it to a 35% interest. The Operator would then fund the costs of development and will be reimbursed for 100% of the development costs including the 35% interest of the non-operator. Once the costs of development have been repaid, the parties will be reimbursed their pro rata share of expenditures made prior to the date development commences before net profits are distributed pro rata (please see Press Release dated April 23, 2014 and filed on SEDAR under Rockcliff Resources for additional information).

## **Rail Property**

The Rail Property is located approximately 40 km WSW of Snow Lake, Manitoba, covers approximately 2,000 hectares and lies within the Flin Flon-Snow Lake greenstone belt. The property hosts a near-surface, VMS lens known as the Rail deposit (the "Rail Deposit"). The Rail Deposit remains open in all directions. The Rail Deposit is interpreted as a stratabound, massive sulphide deposit rich in copper, zinc, silver and gold and is associated with a four kilometre long conductive VMS horizon of juvenile arc assemblage rocks termed the "copper corridor". Juvenile arc assemblage rocks presently host all of the mined VMS deposits in the Flin Flon and Snow Lake camps.

Numerous additional underexplored and untested geophysical pulse and bore hole anomalies, similar in appearance to the Rail Deposit geophysical targets, are associated along the "copper corridor".

Potential for the expansion of the deposit and the potential for additional discoveries along the "copper corridor" are considered excellent and additional work has been recommended and is planned.

The following summary of the resource estimation on the Rail Deposit on the Rail Property has been prepared from the report entitled “Mineral Resource Evaluation, Rail Polymetallic Sulphide Deposit, Snow Lake, Manitoba”, dated December 19, 2010 (the “Rail Deposit Technical Report”), prepared by Sébastien Bernier, M.Sc., P.Geo., and Dominic Chartier, P. Geo., qualified persons under NI 43-101, on behalf of SRK Consulting (Canada) Inc. (“SRK”). The Rail Deposit Technical Report is available for viewing on [www.sedar.com](http://www.sedar.com) under the Rockcliff Resources Inc. profile.

The Rail Deposit is a volcanogenic sulphide deposit consisting of a single lens of massive pyrite, pyrrhotite, with lesser chalcopyrite and sphalerite.

The Rail Deposit Technical Report documents the initial resource evaluation prepared by SRK for the Rail Deposit and incorporates information from diamond drilling completed by Rockcliff between 2007 and 2010.

The mineral resource reported herein has been estimated in conformity with generally accepted CIM “Estimation of Mineral Resources and Mineral Reserves Best Practice” guidelines. The Rail Deposit Technical Report was prepared following the guidelines in NI 43-101 and Form 43-101F1. The effective date of the Rail Deposit Technical Report is November 4, 2010, the date at which Rockcliff disclosed the mineral resource statement in a news release.

The Mineral Resource Statement for the Rail Deposit is reported at a cut-off grade of 2.0% copper. The statement includes metal grade for copper, zinc, gold and silver but not lead because this metal is present at near detection limits. The Mineral Resource Statement for the Rail Deposit is summarized in the table below.

**Rail Deposit NI 43-101 Mineral Resource Statement\***

Resource Category	Quantity (tonnes)	Grade				Contained
		Cu (%)	Zn (%)	Au (g/t)	Ag (g/t)	Cu (pounds)
Indicated	822,000	3.04	0.90	0.66	9.25	55,090,000

\* Reported at a cut-off grade of 2.0 percent copper. Cut-off grade is based on copper price of US\$3.00 per pound and a metallurgical recovery of eighty percent, without considering revenues from other metals. All figures rounded to reflect the relative accuracy of the estimates. Mineral resources are not mineral reserves and do not have demonstrated economic viability.

Rockcliff’s exploration team used industry best practices to acquire, manage and interpret exploration data collect for the Rail Deposit. The exploration data is sufficiently reliable and the controls on the distribution of the sulphide mineralization are sufficiently understood to interpret the boundaries of the sulphide mineralization with confidence. After review of the exploration data, SRK is of the opinion that the exploration data and the geological interpretation are generally reliable for the purpose of resource estimation.

The Mineral Resource Statement prepared by SRK reflects current knowledge about the distribution of the copper-zinc-silver-gold mineralization and associated grade trends. Data density decreases with depth. There is an opportunity to improve the classification of mineral resources at depth below the elevation investigated by Rockcliff (below 250 metres from surface

for the most part) where historical HBED boreholes suggest similar sulphide mineralization including an interval at 500m vertical grading 5.9% copper over 2.1 metres. The Rail Deposit remains open in every direction.

Core assay samples were collected from half core sawed lengthwise with a diamond saw over intervals averaging 1.0 metre. Sampling of the core was based on visual observations of sulphide mineralization and samples were collected within lithologically homogeneous intervals with due regards for varying mineralogy and textures. Sample intervals did not cross geological boundaries.

Rockcliff used a single primary laboratory for assaying core samples collected at the Rail Deposit. Samples were sent directly from Rockcliff's core shack to the laboratory. Each sample was analysed for copper, lead, zinc, silver and gold using standard methods. The analytical quality control program developed by Rockcliff is overseen by appropriately qualified geologists and meets industry best practices.

Rockcliff implements a series of industry standard routine verifications to ensure the collection of reliable exploration data. Documented exploration procedures exist to guide most exploration tasks to ensure the consistency and reliability of exploration data. In accordance with NI 43-101 guidelines, SRK visited the Rail Deposit during 13 to 14 October 2010. The site visit was conducted to ascertain the geological setting of the Rail Deposit copper-gold-zinc mineralization and to witness the extent of exploration work carried out on the property.

Routine verifications were completed by SRK to ensure the reliability of the electronic data provided by Rockcliff. In the opinion of SRK, the electronic data are reliable, appropriately documented and exhaustive. The analytical results are sufficiently reliable for the purpose of resource estimation.

The drilling database contains assay results for 1,527 sample intervals (for a total sampled length of 14,767 metres) with analyses for copper (percent), zinc (percent), lead (percent), silver (grams per tonne "gpt") and gold (ppb) drilled by Rockcliff during the period of 2007 to 2010. Sample lengths range from 0.2 to 1.68 metres, averaging 0.72 metres in the high grade domain. A constant value equal to half the detection limit was forced to unsampled intervals and for intervals where analyses are below the detection limit. Assay data within each of the two domains were extracted for statistical analysis. For geostatistical analysis, variography and grade estimation, raw assay data were composited to 1.5 metre lengths and capped, where appropriate.

Using the capped composites dataset, variography was performed for copper, lead, zinc, silver and gold within the low and high grade domains. Only the Rockcliff drill data were used, except for copper in the high grade domain where thirty-five historical composites were included to allow modelling short range variance better.

A block model was created to cover the entire extent of the Rail Deposit area. Block size was set at 2 by 4 by 4 metres. The slipping plane was set along the X axis to honour the true thickness of the deposit generating a "variable" cell size on the X axis. Both Y and Z dimension were allowed to split four times to a minimum dimension of 0.5 metre. All sub-cells forming a parent cell have the same estimated grade values for each of the metals.

Copper, zinc, lead, silver and gold grades were estimated using ordinary kriging as the principal estimator. Metal grades were estimated separately in each domain from capped composite data. Grade estimation was completed in two successive passes. The first estimation pass considered search neighbourhoods adjusted to full variogram ranges. The size of the search ellipse was doubled for the second estimation pass.

Mineral resources for the deposit were classified according to the CIM Definition Standards for Mineral Resources and Mineral Reserves (December 2005) by Sébastien Bernier P. Geo (APGO#1847), an appropriate independent qualified person for the purpose of NI 43-101. Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resource will be converted into mineral reserve. The mineral resources are classified as Indicated, primarily based on the basis of block distance from the nearest informing composites and on variography results. Classification is based on copper data alone.

### **Laguna Property**

On September 12, 2016 Rockcliff announced an option to earn a 100% interest in the Laguna Property located in Manitoba. The Laguna Property includes 15 contiguous mining claims totalling 920 hectares and forms part of Rockcliff's Snow Lake Project. The Laguna property hosts the Laguna gold mine, the highest grade former gold mine in the Flin Flon-Snow Lake mining camps. Historical, intermittent gold mining from the Laguna vein between 1916 and 1939 of approximately 101,012 tonnes averaged 20.5 g/t (0.60opt) and produced over 60,000 ounces of gold. The Laguna gold mine infrastructure consists of a three compartment vertical shaft to 381 meters and 10 levels totalling over 3.0 kilometres of underground drifting with stope development on every level. The property is strategically near Snow Lake, home to a former million ounce lode-gold producer and a fully functional non-operating 2,150 tonne per day gold mill facility.

The gold mineralization on the Laguna property is metallogenically controlled by subsidiary thrust faults attributed to the major Crowduck Bay Fault which crosses the entire length of the property a distance of 3.5 km. The gold-rich quartz veining along the northwest limb of the Herb Lake Syncline typically occurs where the subsidiary faults intersect quartz-feldspar and biotite porphyry stocks that intrude Missi Group sedimentary and volcanic rocks. Quartz-iron carbonate-albite-sericite alteration commonly overprint peak regional metamorphic assemblages within auriferous vein margins. Mineralization in quartz and surrounding wall rock consists of pyrite, arsenopyrite, chalcopyrite, sphalerite, galena, pyrrhotite, native gold and telluride. Gangue mineralization is in the form of tourmaline and fuchsite.

Rockcliff can acquire a 100% interest in the Laguna Gold Property by paying an aggregate of \$200,000 cash and issuing 750,000 shares over a four (4) year period. Expenditures over five years total \$1,000,000 with a minimum \$100,000 in expenditures in any year. The vendor will retain a 2.5% NSR on the property of which one 1.5% NSR can be purchased at any time for \$500,000 per 0.5% NSR. The vendor's remaining NSR will be subject to a first right of refusal in favour of Rockcliff from 0.5% NSR up to 1.0% NSR on certain claims of the property. An advance royalty payment of \$35,000/year to the vendor begins after year five of the option and is

capped at \$175,000. The advanced royalty payment will be repaid from production on the property.

On October 26, 2016 Rockcliff announced that a first phase exploration program identified visible gold and high grade gold mineralization from known historic surface quartz veins at its Laguna Gold property. Additionally, the Company identified a gold bearing quartz vein stockwork system with a thickness of up to 5 metres. Termed the “Moosehorn vein system”, it is open to expansion in all directions with grab samples assaying from trace to 43.3 g/t gold, 1.2 g/t to 118.6 g/t silver and trace to 6.2% zinc. Additional historic veins were located with grab samples assaying from trace gold up to 699.2 g/t (20.4 ounces per tonne) gold. The veins ranged between 0.2 metres up to 5.0 metres in width and were traced up to 1.0 kilometres along strike and visible gold was observed in outcrop.

Rock samples were taken in the field, packaged and shipped directly from Rockcliff’s field office to TSL Laboratories (TSL), Saskatoon, SK. TSL is a Canadian assay laboratory and is accredited under ISO/IEC 17025. Each bagged rock sample was dried, crushed to 70% passing 10 mesh and a 250g pulp was pulverized to 95% passing 150 mesh for assaying. A 0.5g cut was taken from each pulp for base metal analysis (if needed) and leached in a multi acid (total) digestion and then analyzed for copper, lead, zinc and silver by atomic absorption. Gold concentrations were determined by fire assay using a 30g charge followed by fire assay gravimetric an atomic absorption finish. Samples greater than an upper detection limit (3000 ppb) were reanalyzed using a 1 AT charge. Rockcliff inserted certified blanks and standards in the sample stream to ensure lab integrity.

### **Bur Zinc Property**

On September 29, 2016 Rockcliff announced an option to earn up to 100% interest in the Bur property from Hudson Bay Mining and Smelting Co., Limited, a wholly-owned subsidiary of HudBay. The Bur property hosts a high grade, zinc-rich Volcanogenic Massive Sulphide (VMS) deposit and is strategically located nearby HudBay’s operations in the Snow Lake mining camp within the prolific Flin Flon-Snow Lake greenstone belt in Manitoba.

The Bur property hosts the high grade zinc-rich Bur deposit, located 22km by road northeast of HudBay’s Snow Lake copper-zinc concentrator and 28km from the Town of Snow Lake, Manitoba. The property covers 86 mining claims, totalling 3,979 hectares. A report (see Bur Deposit Report below) was prepared for HudBay in 2007. Rockcliff is treating the estimate of mineral resources in the Bur Deposit Report as a “historical estimate” under NI 43-101 and not as a current mineral resource.

## Historical Resource, Bur Deposit, Snow Lake, Manitoba

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<u>Resource</u>	<u>Tonnes</u>	<u>Zn (%)</u>	<u>Cu (%)</u>	<u>Ag (g/t)</u>	<u>Au (g/t)</u>
<b>Indicated</b>	<b>1,050,000</b>	<b>8.6</b>	<b>1.9</b>	<b>12.1</b>	<b>0.05</b>
<b>Inferred</b>	<b>302,000</b>	<b>9.0</b>	<b>1.4</b>	<b>9.6</b>	<b>0.08</b>

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Notes:

1. CIM definitions were followed for the estimation of mineral resources.
2. Mineral resources are estimated at a zinc equivalent cut-off of 5%.
3. Cut-off grade was based on a zinc price of US\$1.15 per pound and a copper price of US\$2.35 per pound.
4. Given the tonnage, grade and orientation of the deposit, AMEC considers the Bur Deposit to be reasonably amenable to extraction using underground mining methods.
5. Specific Gravity measurements used to estimate the mineral resource tonnes ranged from 2.64 to 3.74 with an average of 3.16.
6. A minimum mining width of 3m was used.
7. Numbers may not add due to rounding
8. Mineral resources are not mineral reserves and do not have demonstrated economic viability.
9. The deposit was documented in a report dated October 1, 2007 and titled "Bur Project, Snow Lake Manitoba, Canada NI 43-101 Technical Report" (the "**Bur Deposit Report**"). The report was prepared for HudBay by AMEC Americas Limited (AMEC) and was filed on HudBay's SEDAR profile on January 31, 2008.

Historical estimates of grade and tonnage given in the above resource are viewed as reliable and relevant based on the information and methods used at the time. They were prepared in compliance with resource definitions under NI 43-101 but must be considered as historical. The historic resource should not be relied upon. Additional work including surface geophysics, drilling and bore hole geophysics will need to be completed to upgrade the historical resource to current.

The Bur deposit is a stratiform, distal, massive sulphide deposit that occurs within a narrow turbidite assemblage of interbedded metagreywacke, metasilstone and graphitic meta-argillite in a basinal area situated between a two granitic intrusions. The northeast striking deposit dips 60-70 degrees northwest, ranges from <0.3m up to 5m thick with a known lateral extent of approximately 4,500m. Drilling has encountered disseminated, semi-massive and massive sulphide mineralization below overburden to a vertical depth of 950m. Mineralization consists of sphalerite, chalcopyrite, pyrrhotite, pyrite, galena and arsenopyrite. The Bur deposit contains up to 20% felsic or cherty nodules consisting of wall rock and late quartz fragments displaying a brecciated texture to the mineralization. The deposit remains open in all directions.

Rockcliff can earn a 100% interest in the Bur property from HudBay by spending \$3.0M in exploration over a four year period in increasing yearly expenditure requirements. The first and second year expenditure requirements are \$400K and \$600K, respectively. Once the 100% earn-in is complete, Rockcliff may exercise its option to own a 100% interest in the property. On exercise of the option, HudBay will receive a 2% Net Smelter Return (NSR) royalty on the property. HudBay will then have one year (the buy-back waiting period) to decide whether to

buy back 70% of the property by paying Rockcliff a total of \$3.0M cash over a three year period. HudBay will also pay Rockcliff double the exploration expenditures incurred by Rockcliff during the buy-back waiting period, capped at \$1.5M, if it elects to exercise its buy-back right. Upon HudBay exercising its buy-back right, HudBay's right to receive the 2% NSR royalty shall terminate. HudBay and Rockcliff will then form a joint venture on a 70/30 (HudBay/Rockcliff) basis and will be responsible for their respective pro rata share on further exploration of the property. Once a decision is made to construct a mine, HudBay shall contribute on behalf of Rockcliff's proportionate share of the expenses in the form of a non-interest bearing loan, repayable in accordance with the terms of the joint venture agreement.

### **Snow Lake Gold (SLG) Property**

On October 5, 2016 Rockcliff announced an option to earn a 100% interest in the Snow Lake Gold Property which is strategically located in the Snow Lake mining camp and adjacent to a former million ounce gold producer (New Britannia Mine) as well as a fully functional non-operating 2,150 tonne per day gold mill facility. The gold property now forms part of Rockcliff's existing Snow Lake Project.

The property hosts multiple, gold-rich shear zones interpreted to be associated with fault splays off the main McLeod Road Thrust Fault, a major regional structural break that strikes across the property for 9 km and is associated with gold mines and deposits in the Snow Lake camp. The property covers 42 claims totalling 5,304 hectares. Several gold and VMS zones have been identified on the property of which the higher priority zones are briefly described below.

**Birch Gold Extension:** Historical shallow drilling inside the property boundary and located 300m east of the previously mined Birch gold deposit intersected potential extensions of the deposit:

- Zone 3: 8.92g/t Au over 0.7m (BIR11-06),
- Zone 5: 6.65g/t across 0.4m (BIR11-11),
- Zone 5: 3.82g/t Au across 3.15m including 6.28g/t across 1.0m (BIR11-12) and
- Zone 6: 61.83g/t Au across 0.41m (BIR11-12).

Gold mineralization is associated with moderately to strongly sheared quartz-carbonate flooded zones with arsenopyrite, pyrite and pyrrhotite.

**Hawk Gold-Copper Zone:** An undrilled, siliceous pillow basalt-bearing horizon with stringers to massive sulphides containing copper-gold mineralization has been intermittently traced for over 2 km with widths up to 30m. Historical grab samples were reported to grade from trace to 2.0g/t gold and trace to 5.2% copper throughout the zone. VMS alteration of garnet-anthophyllite-cordierite and tourmaline is associated within the footwall of the zone. The horizon is proximal and parallel to the regional McLeod Road Thrust Fault.

**Angus Bay Gold Zone:** An undrilled, structurally controlled 800m long siliceous quartz-feldspathic gneiss gold zone contains historic grab sample values ranging from 0.86g/t to 34g/t

gold. The gold zone is hosted within a subsidiary fault splay off the regional McLeod Road Thrust Fault.

**Wolverton Gold Zone:** Multiple (5) quartz veins associated with rusty, weathered, garnetiferous quartz-feldspar-biotite gneiss. Vein #1 is 305m long and between 3.5m to 10.5m wide. Vein #2 is 1,372m long and averages 0.6m wide. Historical shallow drilling in the 1940s and 1970s intersected values ranging from 1.37g/t gold over 0.61m to 24.69g/t gold over 1.04m. The gold bearing veins are located east of and parallel the regional McLeod Road Thrust Fault.

Rockcliff can acquire a 100% interest in the Snow Lake Gold Property by paying Peter Dunlop an aggregate of \$200,000 cash and issuing 750,000 shares to him over a four year period. Expenditure requirements to keep the option in good standing over five years total \$1,000,000 with a minimum \$100,000 in expenditures in any year. The vendor will retain a 2.5% NSR on the property of which one 1.5% NSR can be purchased at any time for \$500,000 per 0.5% NSR. The vendor's remaining NSR will be subject to a first right of refusal in favour of Rockcliff. An advance royalty payment of \$35,000/year to the vendor begins after year five of the option and is capped at \$175,000. The advanced royalty payment will be repaid from production, if any, on the property.

### **Lon-Dickstone North Properties**

Rockcliff owns a 100% interest in the Lon-Dickstone North Properties, totalling approximately 9,500 hectares and located 30 km west of Snow Lake, Manitoba. The properties lie within the Flin Flon-Snow Lake greenstone belt and host prospective juvenile arc rocks along a 15-25 km strike length. The Lon Deposit (subject to a ½% NSR) and numerous additional untested targets lie along this "juvenile arc horizon".

The following historical mineral resource estimate for the Lon Deposit is tabulated below and was documented by Granges Inc. in 1993.

<b>DEPOSIT*</b>	<b>TONNES</b>	<b>COPPER %</b>	<b>ZINC %</b>	<b>SILVER g/t</b>	<b>GOLD g/t</b>
Lon	250,000	3.20	5.20	18.8	0.34

\*Although the resource is viewed as reliable and relevant based on the information and methods used at the time, they do not satisfy the requirements set out by NI 43-101. Neither the Company nor its Qualified Persons have done sufficient work to classify the historical estimate as a current mineral resource and Rockcliff is not treating the historical estimate as a current mineral resource. The historical estimate should not be relied upon.

The Lon Deposit is classified as a stratabound, massive sulphide deposit and consists of two massive sulphide lenses of pyrrhotite, pyrite, chalcopyrite and sphalerite. The mineralized zones have strike lengths between 50-200 metres, plunge extents of at least 600 metres and range up to 3.9 metres wide. Excellent potential remains to increase the resource of the deposit along strike and at depth and to identify additional mineralization associated with untested pulse and bore hole anomalies proximal to the deposit.

Additional surface areas on the property, associated with juvenile arc rocks and prospective for VMS mineralization, have been identified along strike of the Lon Deposit. They include for example, surface grab samples of 3.64% and 6.12% zinc (DC zone); located 0.5 km and 7.0 km

respectively from the deposit. Excellent potential remains to find additional copper bearing mineralization throughout the property.

### **Freebeth Property**

Rockcliff owns a 100% interest in the Freebeth property subject to a 2% net smelter return royalty to HBED. The property totals 7400 hectares and is located approximately 40 km south of Snow Lake, Manitoba. The property is located 10 km east of the high grade Reed Copper mine and surrounds the former Spruce Point Copper-gold mine. It hosts two known copper rich zones within favourable juvenile host rocks and numerous additional untested geophysical pulse anomalies. The property surrounds the former Spruce Pont Mine and is located approximately 10km east of the Reed Copper Mine operated by HudBay.

**The following is a breakdown by property of exploration costs from the Snow Lake Project:**

<b>Nine months ended December 31, 2016</b>	<b>Talbot Property (\$)</b>	<b>Rail Property (\$)</b>	<b>Laguna Property (\$)</b>	<b>Other Properties (\$)</b>	<b>Total (\$)</b>
Acquisition costs	nil	nil	66.250	250.525	316.775
<b>Exploration expenditures</b>					
Claim management	1.442	3.119	7.612	46.691	58.864
Drilling and assay	637.743	45	8.689	90	646.567
Field expenditures	105.077	19.373	20.199	42.115	186.764
Field office expenses	16.863	1.461	552	40	18.916
Geological personnel	186.598	62.113	7.200	21.775	277.686
Geophysics	173.250	1.200	nil	21.250	195.700
Other	3.180	2.429	nil	nil	5.609
<b>Total exploration expenditures</b>	<b>1.124.153</b>	<b>89.740</b>	<b>44.252</b>	<b>131.961</b>	<b>1.390.106</b>
<b>Total</b>	<b>1.124.153</b>	<b>89.740</b>	<b>110.502</b>	<b>382.486</b>	<b>1.706.881</b>

<b>Nine months ended December 31, 2015</b>	<b>Talbot Property (\$)</b>	<b>Rail Property (\$)</b>	<b>Laguna Property (\$)</b>	<b>Other Properties (\$)</b>	<b>Total (\$)</b>
<b>Exploration expenditures</b>					
Claim management	6,398	nil	nil	504	6,902
Drilling and assav	614,791	nil	nil	nil	614,791
Field expenditures	141,897	11,050	nil	8,667	161,614
Field office expenses	14,462	nil	nil	nil	14,462
Geological personnel	221,477	nil	nil	2,200	223,677
Geophysics	30,914	nil	nil	nil	30,914
Other	19,042	nil	nil	nil	19,042
<b>Total exploration expenditures</b>	<b>1,048,981</b>	<b>11,050</b>	<b>nil</b>	<b>11,371</b>	<b>1,071,402</b>
<b>Total</b>	<b>1,048,981</b>	<b>11,050</b>	<b>nil</b>	<b>11,371</b>	<b>1,071,402</b>

## **THE COLOMBIA PROJECT**

The Company presently holds a 2% net smelter return royalty on both the Caramanta and Guadalupe properties located in the Middle Cauca Belt, Colombia, South America. The primary target for the Caramanta and Guadalupe properties are bulk tonnage, porphyry type, gold-copper systems.

### **Corporate**

As at December 31, 2016, the Company had total assets of \$4,244,883, and total share capital, reserve and deficit of \$3,966,638. This compares with total assets of \$3,900,807 and total share capital, reserve and deficit of \$3,812,408 as at March 31, 2016. The Company incurred exploration costs from continuing operations of \$1,280,596 and \$1,706,881 during the three and nine months ended December 31, 2016, compared to \$586,467 and \$1,071,402 during the three and nine months ended December 31, 2015.

As at December 31, 2016, the Company had working capital of \$1,848,578 compared to working capital of \$1,739,926 as at March 31, 2016. The Company had cash and cash equivalents of \$1,848,285 and funds held in trust of \$101,847 as at December 31, 2016 compared to \$1,764,613 and \$nil as at March 31, 2016. See "Liquidity and Financial Position" below.

### **Trends**

The Company is a mineral exploration and development company, focused on the exploration and acquisition of mineral properties. The Company has acquired a significant portfolio of exploration assets in Manitoba as a result of its acquisition of Rockcliff Resources Inc. The Company's financial success will be partially dependent upon the extent to which it successfully explores its Manitoba properties. The development of exploration assets may take years to

complete and the resulting income, if any, is difficult to determine with any certainty. The Company lacks sufficient mineral resources and mineral reserves for mine development and to date has not produced any revenues. The sale value of any mineralization discovered by the Company is largely dependent upon factors beyond the Company's control, such as the market value of the commodities produced.

The Company continues to be cautious with regard to the economic factors that impact the mining industry. These factors include the prices of precious and base metals and the availability of equity financing for the purpose of mineral exploration and development and property acquisition. The Company's future performance is tied to the development of its current mineral property interests, the acquisition of new properties and the overall financial markets.

Concern regarding the pace of global economic growth has continued in recent months with the exception of the US where an economic recovery appears to be under way. This has led to a strengthening of the US dollar and in the price of commodities. Given that the Company's properties are in Manitoba, its costs are predominantly in Canadian dollars which acts as a hedge against any decline in commodity prices denominated in US dollars. The Company continues to be well capitalized and with its own cash reserves and is in a financial position to continue with its plans throughout 2017.

### Technical Disclosure

Technical disclosure with respect to the Snow Lake Project in this MD&A was reviewed and approved by Ken Lapierre, P. Geo a "Qualified Person" within the meaning of NI 43-101.

### Environmental Liabilities

The Company's exploration activities are subject to various government laws and regulations relating to the protection of the environment. These environmental regulations are continually changing and generally becoming more restrictive. As of the date of this MD&A, the Company does not believe that there are any environmental obligations requiring material capital outlays.

### Results of Operations

The Company had net loss and comprehensive loss for the three months ended December 31, 2016 of \$1,483,922 compared to a net loss and comprehensive loss of \$669,179 for the three months ended December 31, 2015.

The difference between the comparable three month periods is primarily attributable to:

- an increase in legal and professional expense of \$64,432 due to costs in the current period related to the property option and acquisition agreements;
- an increase in investor relations of \$46,900 due to costs in the current period related to the Company engaging consultants for investor relations services;
- an increase in exploration costs of \$694,129 in the current period. See "The Snow Lake Project" above.

## **Liquidity and Financial Position**

As at December 31, 2016, the Company had cash and cash equivalents of \$1,848,285 and funds held in trust of \$101,847 compared to \$1,764,613 and \$nil as at March 31, 2016.

The Company had working capital of \$1,848,578 as at December 31, 2016 compared to working capital of \$1,739,926 as at March 31, 2016.

Current liabilities amounted to \$278,245 as at December 31, 2016 compared to \$88,399 as at March 31, 2016. The Company's cash and cash equivalents of \$1,848,285 as at December 31, 2016 is sufficient to pay the current liabilities as at December 31, 2016.

As at December 31, 2016, and to the date of this MD&A, the Canadian dollar and US dollar cash resources of the Company are held with the Royal Bank of Canada in Toronto and RBC Dominion Securities Inc. in Toronto. The Company has no third party debt and its credit and interest rate risk is minimal. Amounts payable and other liabilities are short-term and non-interest bearing.

The Company's liquidity risk with financial instruments is minimal as excess cash is invested in highly liquid, bank-backed guaranteed investment certificates.

The Company will require additional funds from equity sources to complete the development of the Snow Lake Project.

The Company's use of cash at present occurs, and in the future will occur, principally in two areas, namely, funding of its exploration costs and the funding of operating and general and administrative expenses.

## **Related Party Transactions**

(i) During the three and nine months ended December 31, 2016, the Company expensed \$15,000 and \$45,000 (three and nine months ended December 31, 2015 - \$15,000 and \$45,000) paid or accrued to Durham Exploration, a company controlled by a director of the Company, for advisory and geological services. The amounts charged by Durham Exploration are recorded at their exchange value. Included in the December 31, 2016, amounts payable and other liabilities is \$15,000 (March 31, 2016 - \$10,000).

(ii) During the three and nine months ended December 31, 2016, the Company expensed \$105,000 and \$195,000 (three and nine months ended December 31, 2015 - \$45,000 and \$97,500) paid or accrued to Lapierre Exploration Services Inc., a company controlled by the President and Chief Executive Officer, for advisory and geological services. The amounts charged by Lapierre Exploration Services Inc. are recorded at their exchange value. Included in the December 31, 2016, amounts payable and other liabilities is \$8,475 (March 31, 2016 - \$nil).

(iii) The Chief Financial Officer is a senior employee of Marrelli Support Services Inc. ("MSSI"), a firm providing accounting services. During the three and nine months ended December 31, 2016, the Company expensed \$12,501 and \$37,503 (three and nine months ended December 31, 2015 - \$12,495 and \$18,842) paid or accrued to MSSI. The amounts charged by MSSI are recorded at their exchange value. Included in the December 31, 2016, amounts payable and other liabilities is \$2,500 (March 31, 2016 - \$9,539).

(iv) During the three and nine months ended December 31, 2016, the Company expensed \$2,250 and \$6,750 (three and nine months ended December 31, 2015 - \$2,250 and \$3,750) paid or accrued to Gardiner Roberts LLP, a company where a director is a partner, for corporate secretarial services and \$10,531 and \$36,597 (three and nine months ended December 31, 2015 - \$nil) for legal services. The amounts charged by Gardiner Roberts LLP are recorded at their exchange value. Included in the December 31, 2016, amounts payable and other liabilities is \$8,390 (March 31, 2016 - \$2,444).

(v) During the three and nine months ended December 31, 2016, the Company expensed \$6,868 and \$20,602 (three and nine months ended December 31, 2015 - \$nil) paid or accrued to Norvista Capital Corporation, a shareholder and a company with common directors and management, for rent. The amounts charged by Norvista Capital Corporation are recorded at their exchange value. Included in the December 31, 2016, amounts payable and other liabilities is \$3,035 (March 31, 2016 - \$4,278).

Remuneration of directors and key management personnel of the Company for the three and nine months ended December 31, 2016 and 2015 was as follows:

	Three months ended December 31,		Nine months ended December 31,	
	2016	2015	2016	2015
Salaries and benefits	nil	nil	nil	\$22,500
Severance payments	nil	nil	nil	\$120,000
Share-based payments	\$18,896	\$8,878	\$92,439	\$48,919

All amounts payable are not non-interest bearing, unsecured and due on demand.

## Commitments

(i) On June 18, 2015, the Company entered into a consulting agreement, providing for payment of \$15,000 per month for the services of the President and Chief Executive Officer, for advisory and geological services. That agreement had an initial term of one year but automatically extends thereafter for successive terms of one year, unless terminated by the Company thirty days prior to any yearly extension. In the event of termination, the agreement provides for the payment of twelve months of monthly fees.

Upon a Change of Control occurring, the agreement shall automatically be extended to two years from the date upon which a Change of Control occurs. If the agreement is terminated within twelve months after the date upon which a Change of Control occurs, other than for Cause, or if the agreement is terminated for good reason by the CEO, as defined in the agreement, a lump sum payment equivalent to twenty four months of base salary will be payable.

(ii) The Company entered into two agreements for investor relations services. Under the agreements the Company has the remaining commitments in fiscal 2017 of \$21,900 and 2018 of \$22,500.

## Disclosure of Internal Controls

Management has established processes to provide it with sufficient knowledge to support representations that it has exercised reasonable diligence to ensure that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited condensed interim consolidated financial statements, and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing the certificate are not making any representations relating to the establishment and maintenance of:

- (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- (ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the IFRS.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

## Risk Factors

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk Factors" in the Company's Annual MD&A for the fiscal year ended March 31, 2016, available on SEDAR at [www.sedar.com](http://www.sedar.com).

## Additional Information

Further information about the Company and its operations is available on the Company's website at [www.rockcliffcoppercorp.com](http://www.rockcliffcoppercorp.com) or on SEDAR at [www.sedar.com](http://www.sedar.com).