



HINTERLAND METALS INC.

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INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS QUARTERLY HIGHLIGHTS

Three months ended March 31, 2017

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The following interim management discussion and analysis – quarterly highlights (the “MD&A Highlights”) of the financial condition and results of the operations of Hinterland Metals Inc. (“Hinterland” or “the Company”) constitutes management’s review of the factors that affected the Company’s financial and operating performance for the three months ended March 31, 2017 (“Q1-17”). This MD&A should be read in conjunction with the Company’s financial statements for Q1-17 and related notes and the annual MD&A as of December 31, 2016. The financial statements have been prepared in compliance with International Financial Reporting Standards (“IFRS”) and reported in Canadian dollars unless otherwise stated. Further information regarding the Company and its operations are filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) in Canada and can be obtained from www.sedar.com.

1. NATURE OF ACTIVITIES

Hinterland is a mineral exploration company engaged in the acquisition and exploration of mineral resource properties. The Company is currently focusing its exploration activities within Canada on precious and base metal prospects, in Quebec and Ontario, and continues to evaluate, and will acquire, additional properties, as capital and opportunities present themselves.

2. OVERVIEW

The Company is pursuing financing alternatives to fund its operations and to continue its activities as a going concern. As of March 31, 2017, the Company had a working capital of \$87,672 (\$95,901 on December 31, 2016).

The Company completed several sale property transactions, as described in section 3 below, that helped generate a net income in Q1-17. The expected exploration budget for 2017 is \$588,000, subject to successful financing.

The Company reported a net income of \$24,414 (net loss of \$17,355 in Q1-16). The Company continues to restrain its administrative expenses. The disposal of exploration properties generated a \$25,813 gain (\$68,750 in Q1-16 following the sale of the Lockout property to Beaufield Resources Inc.). In addition, a \$30,000 favorable change in value of listed shares was recorded in Q1-17 (\$1,250 in Q1-16), mostly relating to the shares received from Beaufield.

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3. INVESTING ACTIVITIES

Details of exploration and evaluation assets for the three months ended March 31, 2017

Areas of interest	Quebec	Ontario	New Brunswick	Total
	\$	\$	\$	\$
Balance, January 1, 2017	569,229	-	3,920	573,149
Acquisitions of mining rights:				
Staking and maintenance fees	4,578	27,764	-	32,342
Exploration and evaluation expenses:				
Surface exploration	-	3,488	-	3,488
Disposal	(3,187)	-	-	(3,187)
Balance, March 31, 2017	570,620	31,252	3,920	605,792

Details of exploration and evaluation assets for three months ended March 31, 2016

Areas of interest	Quebec	Total
	\$	\$
Balance, January 1, 2016	448,000	448,088
Acquisitions of mining rights:		
Staking and maintenance fees	-	-
Exploration and evaluation expenses:		
Surface exploration	-	-
Taxes credits	(140)	(140)
Net additions for the period		
Balance, March 31, 2016	447,948	447,948

Mark Fekete (B.Sc., P.Geo.), President, CEO and a director of Hinterland, a qualified person under National Instrument (NI) 43-101, has reviewed the following technical disclosure.

a) Mozart Gold-VMS, Quebec

The 73-claim (3,028-hectare) Mozart property is located approximately 60 kilometres northeast of Val-d'Or, Quebec. Hinterland holds the property 100%, subject to a 2.5% net smelter returns royalty. The property covers an under-explored, 10 kilometre-long segment of the Carpentier-Courville deformation corridor, which is known for both shear-hosted gold and volcanic massive sulphide (VMS)-type deposits. Hinterland has identified 10 new geophysical target areas, and intends to investigate these targets with drilling in 2017. It is currently seeking equity or joint venture financing to fund the drilling estimated to cost \$100,000.

b) Guyberry Gold, Quebec

Hinterland holds 100% of the 35-claim (1,532-hectare) Guyberry property located approximately 95 kilometres northwest of Val-d'Or, Quebec. Hinterland has identified a 400 metre segment of the southeast-trending, regional scale Chicobi Deformation Zone that is inferred to be a dilation zone favourable for the precipitation of gold-bearing quartz-carbonate veins, breccias and stockworks. Hinterland intends to drill test this target in 2017, and is currently seeking equity or joint venture financing to fund the drilling estimated to cost \$100,000.

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3. INVESTING ACTIVITIES (CONT'D)

c) **Brexit Lithium, Quebec**

In June 2016, Hinterland staked 111 mineral claims (5,938 hectares) prospective for pegmatite-type lithium mineralization. The claims are located roughly 15 kilometres southeast of Nemaska Lithium Corp.'s Whabouchi hard rock lithium project, which contains measured plus indicated resources of 27,991,000 tonnes of 1.57% Li₂O (Nemaska Press Release, January 15, 2014). Nemaska recently released a positive feasibility study that includes the construction of a mine and concentrator at Whabouchi, and a hydrometallurgical plant in Shawinigan, Quebec (Nemaska Press Release, June 9, 2016).

None of the prior exploration work, which included geophysical surveys and diamond drilling, considered the potential for pegmatite-type lithium mineralization on the claims. Hinterland completed an initial prospecting and sampling program on a small part of the Brexit property in September 2016 with encouraging results. The Company intends to continue prospecting and sampling elsewhere on the property in 2017 at an estimated cost of \$25,000.

d) **Troilus Lithium, Quebec**

On October 11, 2016, Hinterland signed an option and joint venture agreement with Beaufield Resources Inc. ("Beaufield"), whereby Hinterland may earn an interest in Beaufield's 108-claim (5,312-hectare) Troilus property located in the Frotet-Evans area of Quebec, approximately 100 kilometres north of Chibougamau. Pursuant to the agreement, Hinterland may earn a 50% interest in the Troilus property by issuing to Beaufield an aggregate of 2,000,000 shares (500,000 issued) and completing work expenditures of \$2,000,000 (\$200,000 in the first year) over a four year period. Upon completion of the 50% earn-in, Hinterland and Beaufield will form a joint venture with initial respective participating interests to be 50%.

The Troilus claims completely surround the Moblan lithium project held by Perilya Ltd. (60%) and Soquem Inc. (40%), which contains measured and indicated resources of 9,334,00 tonnes of 1.54% Li₂O (Perilya Press Release, May 31, 2011).

Hinterland completed a prospecting and sampling program on the Troilus property in October 2016. This work points to a specific area of high fractionation that will be the primary focus of the 2017 work program. Highly fractionated pegmatite dykes are known to be the most prospective for lithium mineralization. Hinterland expects to complete \$200,000 of work beginning with prospecting and sampling followed by trenching followed by an initial drill program.

e) **Eeyou Istchee James Bay Gold-PGE, Quebec**

During the summer of 2016, Hinterland staked a strategic portfolio of four properties in the Eeyou Istchee James Bay area of Quebec based on a compilation of publicly available data and in response to the recent increase of exploration activity in the area. The four new properties are in close proximity to the tectonic contact between the Opinaca and La Grande sub-provinces of the Superior Province of the Canadian Shield. This major structural boundary shows a strong spatial relationship to known gold deposits and showings in the area including the Eleonore gold mine (Goldcorp), the Clearwater (Eastmain), Cheechoo (Sirios), Sakami/Apple (Canadian Strategic/Matamec), Wabamisk (Goldcorp/Azimut), and Auclair, La Grande Sud, Poste-Lemoyne and Sakami River (Osisko Baie James) gold projects, and numerous other gold occurrences.

The 103-claim (5,249-hectare) Nakami property covers a tight flexure in the Opinaca-La Grande contact zone, and is underlain mainly by basalt meta-volcanic rocks in contact with tonalite intrusive rocks. Regional airborne magnetic data suggests the presence of several narrow iron formations. The Nakami property lies 25 kilometres east of and within the same band of rocks that hosts the Zone 32 deposit (Osisko-Baie James), where an historical mineral resource estimate of 4.2 million tonnes at 2.1g/t Au has been reported (Virginia Gold Mines press release, March 11, 1999).

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3. INVESTING ACTIVITIES (CONT'D)

The 40-claim (5,249 hectare) Sakami North gold property is located approximately 0.9 kilometres north of the Sakami Apple property (Canadian Strategic/Matamec), where on-going drilling at the "La Pointe" or "025" zone has most recently intersected up to 2.5g/t Au over 48.6m (Canadian Strategic press release, September 8, 2016). Hinterland's Sakami claims are underlain mainly by basalt meta-volcanic rocks in contact with tonalite intrusive rocks, and cover a 5.5 kilometre segment of the north-trending Opinaca-La Grande contact zone. There is very little previous work documented within the claim block.

The 9-claim (464-hectare) Dunite PGE property adjoins the Sakami/Apple property to the south, and is located 13.5 kilometres south of the La Point zone mentioned above. It was staked to cover the "Nadine" chrome, platinum and palladium showing that occurs within a narrow band of ultramafic rocks that follows the north-trending Opinaca-La Grande contact zone for approximately 3.5 kilometres.

The 40-claim (2,112-hectare) Auclair gold property covers a fold nose along the Opinaca-La Grande contact zone, and is underlain mainly by a sequence of basalt meta-volcanic rocks of the Natel Formation that are in contact with paragneiss metamorphic rocks of the Auclair Formation. Several narrow bands of iron formation, gabbro and rhyolite and have been mapped within the sequence, and numerous gold showings have been identified on the adjacent Wabamisk (Goldcorp/Azimut) and Auclair (Osisko-Baie James) projects. The property is 45 kilometres southeast of the Clearwater (Eastmain) deposit, where a measured and indicated resource of 7.2 million tonnes at an average grade of 4.09g/t Au has been identified, plus an additional inferred resource of 5.1 million tonnes at an average grade of 3.88g/t Au (Eastmain Resources website, www.eastmain.com).

Hinterland intends to complete an initial program of prospecting and sampling on the Eeyou Istchee James Bay properties in 2017 at an estimated cost of \$113,000. The Company is actively seeking a joint venture partner for this project.

f) Chilton Cobalt, Quebec

In 2016 Hinterland staked the 9-claim (496-hectare) Chilton Cobalt property located roughly 40 kilometres east of Saint-Jovite, in the Laurentian region of Quebec. The property covers four documented cobalt-copper-nickel showings. In February 2017, Hinterland sold the Chilton project to Green Swan Capital Corp. ("Green Swan") for 150,000 units valued at \$16,500 (based on the closing price on the day of the Exchange approval). Each unit is composed of one share of Green Swan and one share purchase warrant exercisable at \$0.10 up to March 3, 2019. The Company retains a 2% net smelter returns royalty on the property. Green Swan may purchase one-half of the royalty interest for \$1 million cash.

g) Ebay PGE, Quebec

In June 2016, Hinterland staked 10 claims (520 ha) on the formerly held Ebay PGE property located 30 kilometres southeast of Matagami in the Abitibi Region of Quebec. The ten claims cover an area where Hinterland previously intersected encouraging PGE values in drilling. Minor surface work in 2017 is planned at a cost of \$10,000.

h) Teck Gold, Ontario

The 1,263-hectare Teck property is located approximately four kilometres west of Kirkland Lake, Ontario. The property was assembled through nine different option agreements for patented mineral claims and additional staking of crown land. Under Ontario's Mining Act Modernization plan, Hinterland is obligated to spend up to \$15,000 on the Teck property in 2017 to convert existing mineral claims into map-designated units. All costs associated with Teck have been written off in previous years. Hinterland is currently seeking a joint venture partner for further exploration of the Teck property

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3. INVESTING ACTIVITIES (CONT'D)

i) Gowganda Cobalt, Ontario

In March 2017 Hinterland staked 188 claim units (3,008 ha) in the Gowganda area located 85 kilometres northwest of Cobalt, Ontario. From 1910 to 1989 Gowganda produced 60.1 million ounces of silver and 1.4 million pounds of cobalt. On May 5, 2017, the Company signed an agreement to sell the Gowganda property to Green Swan for \$67,650 cash and 562,500 units valued at \$50,625 (based on the closing price on the day of the Exchange approval). Each unit is composed of one share of Green Swan and one share purchase warrant exercisable at \$0.10 up to November 12, 2018. The Company retains a 2% net smelter returns royalty on the property. Green Swan may purchase one-half of the royalty interest for \$1 million cash.

j) TAK Gold Project, Yukon

In January 2016 the Company sold to its 25% interest in the Tak property located in Yukon to Eureka Resources Inc. for 125,000 shares valued at \$12,500.

May 30, 2017

(s) Mark Fekete

Mark Fekete
President and Chief Executive Officer

(s) Ingrid Martin

Ingrid Martin
Chief Financial Officer