HINTERLAND METALS INC.

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Years ended December 31, 2017 and 2016

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The following management's discussion and analysis (the "MD&A") 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 year ended December 31, 2017 compared to the year ended December 31, 2016 prepared with information available as of April 12, 2018.

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 December 31, 2017, the Company had a working capital of $47,680 (95,901 in 2016).

In 2017, the Company spent $27,091 ($107,600 in 2016) on exploration.

3. OPERATING ACTIVITIES

In 2017, Hinterland recorded a net loss of $144,545 ($159,528 in 2016) and the main variations compared to last year are as following:

- A decrease in the Company's expenses as discussed below;
- Change in value of listed shares that resulted in a $10,211 ($1,250 in 2016) loss. When the Company sells an interest in a property, it often receives shares as compensation from the buyer.

4. EXPENSES

The Company's expenses decreased to $134,334 in 2017 from $158,278 in 2016 mainly due to:

- The Company realized a $137,579 ($68,750) gain on sale of exploration and evaluation assets (also see Section 6 Investing Activities for more details):
  - In 2017:
    - $90,524 for the Gowganda property
    - $21,242 for the Belleterre property
    - $13,313 for the Chilton property
    - $12,500 for the Tak property
  - In 2016:
    - $68,750 for the Lockout property;
- The Company wrote off $71,352 (none in 2016) exploration and evaluation assets, $33,832 for Troilus, $23,463 for Brexit and $14,057 for Cape Spencer (also see Section 6 Investing Activities for more details);
- Stock-based compensation of $52,353 ($20,880 in 2016) was calculated with the Black Scholes model, which calculation was mostly impacted by the share price at the date of the grant of $0.035 ($0.01 in 2016);
- Professional fees were reduced to $40,111 ($86,391 in 2016) due to limited corporate activities;
- See Section 12 on related party transactions for detailed management compensation disclosure.

5. OUTLOOK FOR 2018

Hinterland is focused on gold in the Abitibi Greenstone Belt (the “Abitibi”), which is Canada's most prolific mining region both in terms of historic and current mineral production. Over one hundred mines have contributed to impressive historical production statistics that include 18 billion pounds (8.2 million tonnes) of copper, 35 billion pounds (15.9 million tonnes) of zinc, 161 million ounces of gold and 900 million ounces of silver.

In 2016, however Hinterland diversified into other areas out of the Abitibi region, and into other commodities. The Eeyou Istchee James Bay area of Quebec has been rapidly evolving as a world class destination for mining and exploration. Goldcorp’s Eleonore gold mine produced 305,000 ounces of gold in 2017 at an all-in sustaining cost of US$1,095 per ounce. With reserves of 7.13 million ounces, Eleonore promises to anchor gold production in the Eeyou Istchee James Bay area for many years. In 2016, Stornoway’s Renard diamond mine reached commercial production and became the region’s second mine. In fiscal year 2017, it produced 1.64 million carats at an attributed grade of 84 carat per hundred tonnes.

The region also has several advanced resource projects including Eastmain’s Clearwater project at just less than one million ounces is being aggressively explored by new management at Eastmain. Another interesting development is Nemaska’s Whabouchi lithium project with a measured and indicated resource of 37.6 million tonnes at 1.48% lithium oxide. A recent positive feasibility study foresees a mine and concentrator at the Whabouchi site which will produce 213,000 tonnes of concentrate annually, and a hydrometallurgical plant in Shawinigan, Quebec which will yield 23,000 tonnes of battery-grade lithium hydroxide over an expected 33-year mine life. A number of active projects are not yet at the resource definition stage including Sirios’ Cheechoo, Canadian Strategic’s Sakami-Apple, Azimut-Eastmain-Goldcorp’s Eleonore South, and Osisko Mining’s La Grande Sud projects.

This recent exploration and development activity in the Eeyou Istchee James Bay combined with a determined effort by the *Ministère de l'énergie et des ressources naturelles de Québec* (“MERNQ”) to build up the regional database through geological, geochemical and geophysical surveys, and site specific research projects makes the region very compelling to Hinterland. In 2016, Hinterland acquired four new gold projects by staking.

In two years the price of cobalt has more than tripled from US$23,200 to US$88,000 per tonne. Cobalt's traditional uses have been in super alloys, hard materials, hard facings, catalysts, magnets and pigments. Over the past 15 years there has been a dramatic shift in the cobalt market with an increasing demand from the rechargeable battery sector. This sector currently accounts for approximately 42% of the cobalt market. It is expected demand for cobalt will continue to increase as the rechargeable battery production expands to supply electric powertrains and grid storage (Lithium Nickel Cobalt Aluminium Oxide batteries), and electronic devices (Lithium-ion Cobalt batteries).

The majority of the world's cobalt is mined from the Copper Belt area that spans the southern Democratic Republic of the Congo and northern Zambia. Political instability in this area has contributed to the rising price of cobalt on the supply side. This is very important to the junior exploration sector as the investment community has become very interested in cobalt projects located in stable jurisdictions like North America.

Hinterland recognized the cobalt opportunity in August 2016 and began researching and acquiring cobalt properties. The Chilton cobalt project located in the Laurentian Mountains area of Québec was the Company’s first cobalt acquisition. This was followed by the larger and much more prospective Gowganda staking effort in March 2017. Gowganda is located in north-eastern Ontario and is the site of substantial past cobalt production. Both properties were sold to CBLT Inc. in 2017 subject to production royalties in favour of Hinterland.

6. INVESTING ACTIVITIES

The Company holds a portfolio of mineral properties located in Quebec and Ontario. The Company explores for its own account. The Company also derives revenue and furthers exploration or development by farming out mineral property interests, in whole or in part, to other exploration companies for a mix of cash, shares and work expenditure commitments.

Exploration and evaluation expenses	**Budget 2017**	**Actual 2017**	**Budget 2018 (1)**
	$	**$**	**$**
Québec			
Abitibi			
Mozart	100,000	-	100,000
Guyberry	100,000	-	100,000
Brexit	25,000	-	-
Troilus	200,000	-	-
Skyfall	-	1,200	200,000
Ebay	10,000	-	10,000
Tardiff	-	-	100,000
James Bay			
Auclair	30,000	-	52,000
Dunite	13,000	-	12,500
Nakami	40,000	5,642	100,000
Sakami North	30,000	-	50,000
New Brunswick			
Cape Spencer	-	20,249	-
Ontario			
Teck	15,000	-	-
Project generation	25,000	-	25,500
Total	**588,000**	**27,091**	**750,000**

(1) Subject to successful financing.

The $588,000 exploration budget for 2017 was conditional to successful financing and due to market conditions, the exploration funding objectives were not met. Likewise, the 2018 budget is conditional on successful financing.

6. INVESTING ACTIVITIES (CONT'D)

Details of exploration and evaluation assets for 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	16,575	27,751	-	44,326
Exploration and evaluation expenses:				
Surface exploration	6,842	-	20,249	27,091
Stock-based compensation	6,544	-	-	6,544
Tax credits and government grants	(2,986)	-	(10,112)	(13,098)
	10,400	-	10,137	20,537
Net additions for the year	26,975	27,751	10,137	64,863
Disposal	(3,187)	(27,751)	-	(30,938)
Write-off	(57,295)	-	(14,057)	(71,352)
Balance, December 31, 2017	**535,722**	**-**	**-**	**535,722**

Details of exploration and evaluation assets for 2016:

Areas of interest	Quebec	New Brunswick	Total
	$	$	$
Balance, January 31, 2016	488,088	-	488,088
Acquisitions of mining rights:			
Staking and maintenance fees	40,820	3,420	44,240
Shares issued to vendors	15,000	-	15,000
	55,820	3,420	59,240
Exploration and evaluation expenses:			
Surface exploration	107,100	500	107,600
Taxes credits	(41,779)	-	(41,779)
	65,321	500	65,821
Net additions for the period	121,141	3,920	125,061
Balance, December 31, 2016	**569,229**	**3,920**	**573,149**

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. All intervals and intersections described in this document are down-hole lengths and do not represent true widths of the described mineralized zones.

6. INVESTING ACTIVITIES (CONT'D)

a) Mozart Gold-VMS Project, Quebec

The 83-claim Mozart property covering 3,379 hectares is located approximately 60 kilometres northeast of Val-d'Or, Quebec. Hinterland holds the property 100%, subject to a 2.5% royalty interest payable to the original property vendors. Hinterland will have the right to purchase 1.5% of the royalty interest for $1 million and will have a right of first refusal on the remaining 1%. 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.

In December 2011, Hinterland drilled a total of 1,186 metres in seven holes on the property. The drilling encountered primarily interlayered intermediate tuff and siltstone, with numerous layers of massive sulphide. Holes MZ11-01 to -05 encountered a relatively un-deformed quartz-diorite intrusion. A number of gold-bearing intervals were intercepted on the upper and lower contacts of the quartz-diorite and in individual quartz veins. The best intersection, encountered in hole MZ11-03, was 0.38 grams per tonne gold ("gpt Au") over 6.0 metres ("m") from 76.3 m. This interval is marked by strong shearing, quartz-carbonate veining and breccia textures along the upper contact of the quartz diorite body.

In September 2014, Hinterland completed a 115 line-kilometre Horizontal Loop Electromagnetic (HLEM) survey to help delineate potential shear-type gold structures and VMS-type horizons. Ten new target areas were detected by the survey.

Hinterland has identified 11 new geophysical target areas, and intends to investigate these targets with drilling in 2018. It is currently seeking equity or joint venture financing to fund the drilling estimated to cost $100,000. Approximately $1,000 is required for claim renewals.

b) Guyberry Gold Project, Quebec

Hinterland holds a 100% interest in the 53-claim (2,178-hectare) Guyberry property, located in Guyenne and Berry townships approximately 95 kilometres northwest of Val-d'Or, Quebec. The property covers a volcanic-intrusive contact marked by the southeast-trending, regional scale Chicobi Deformation Zone ("CDZ"). Previous geophysical surveys completed by Hinterland identified a narrow resistivity high extending over 1.6 kilometres along this contact coincident to the boundary between two magnetic domains. These surveys also revealed numerous disruptions of the magnetic and electromagnetic patterns, inferred to be high-angle, northeast-trending faults.

In September 2016 Hinterland completed a 26.4 line-kilometre induced polarization and resistivity ("IP/RES") survey designed to obtain a detailed image of a 2.0 kilometre section of the CDZ in the area of the high resistivity feature referred to above. The survey clearly defined a narrow, linear resistivity high over 1.3 kilometres interpreted to be the trace of the CDZ. Of particular interest is a 400 metre segment of the resistivity high that is bounded by two crosscutting, northeast-trending faults. This segment is inferred to be a dilation zone within the CDZ. It is well documented that dilation zones along major fault structures allow for circulation of mineral-rich fluids, and are favourable for the precipitation of gold-bearing quartz-carbonate veins, breccias and stockworks. As such, the inferred dilation zone indicated by the IP/RES survey offers an excellent drill target to test for gold mineralization.

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 2018, and is currently seeking equity or joint venture financing to fund the drilling estimated to cost $100,000. Approximately $1,800 is required for claim renewals.

6. INVESTING ACTIVITIES (CONT'D)

c) Brexit and Troilus Lithium, Quebec

In June 2016, Hinterland staked 111 mineral claims (5,938 hectares) prospective for pegmatite-type lithium mineralization. The claims are located in the Eeyou Istchee James Bay area of Quebec approximately 40 kilometres southeast of the village of Nemaska. In October2016, Hinterland signed an option and joint venture agreement with Beaufield Resources Inc. ("Beaufield"), to earn a 50% 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.

Hinterland completed a prospecting and sampling program on a small part of the Brexit property in September 2016 with less than encouraging results. Hinterland completed a prospecting and sampling program on the Troilus property in October 2016. Positive lithium results were obtained from a number of pegmatite dykes, and a fractionation trend was identified based on variation diagrams plotting lithium, rubidium, beryllium, caesium and tantalum values. Fractionated pegmatite dykes are known to be the most prospective for lithium mineralization.

Despite the encouraging results at Troilus, Management decided that there was no longer any point pursuing lithium exploration due to a decline in investor interest in early-stage, pegmatite-type lithium exploration projects. Accordingly, acquisition and exploration costs of $23,463 for Brexit were written off in 2017. The Company notified Beaufield in October 2017 that it would not proceed with the agreement, and acquisition and exploration costs of $33,832 for Troilus were written off in 2017.

d) Eeyou Istchee James Bay Gold, 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 that 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. Each property is described below in terms of its size, location, general geology and proximity to other projects in the area.

The 103-claim (5,270-hectare) Nakami gold property is located just east of the La Grande-3 airstrip, and is accessible by the all-season Trans Taiga Road. These claims cover a tight flexure in the Opinaca-La Grande contact zone, and are 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 2.1gpt Au has been reported (Virginia Gold Mines press release, March 11, 1999). Three mineral showings are documented on the Nakami property. The Aéroport-A showing has retuned gold values up to 1.2gpt Au in grab samples (MERQ GM 53785). The Aéroport-B showing has returned values up to 20.7% Cu, 112.0gpt Ag and 1.2gpt Au in selected grab samples (MERQ GM 53364). The Lac Pikuyaukw showing has returned up to 2.4g/t Au in grab samples (MERQ GM 56503). A brief prospecting and sampling program was completed on Nakami in September 2017. Gold values ranging up to 5.6gpt Au and copper values up to 0.4% Cu were obtained from 13 rock samples.

6. INVESTING ACTIVITIES (CONT'D)

The 40-claim (2,059-hectare) Sakami North gold project 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 15-claim (777-hectare) Dunite property adjoins the Sakami/Apple property (Canadian Strategic/Matamec) 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 showing has returned up to 10.6% chromite (Goutier et al, 2000, MERQ RG 99-15), and 1.8g/t palladium and 0.8g/t platinum (MERQ GM 58697) from selected grab samples.

The 40-claim (2,112-hectare) Auclair gold property is located approximately 85 kilometres northeast of the village of Nemaska. These claims cover a fold nose along the Opinaca-La Grande contact zone, and are 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 showing 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 is seeking joint venture or equity financing to fund exploration on the Eeyou Istchee-James Bay properties. The proposed program includes airborne geophysical surveys followed by surface mapping, prospecting and sampling. The estimated cost of the exploration is $214,500. An additional $29,400 is required for claim renewals.

e) Skyfall Gold, Quebec

In 2017, Hinterland staked the 102-claim (5,750-hectare) Skyfall Gold property in two blocks within the Urban-Barry Greenstone Belt located in the eastern part of the Abitibi Sub-province. The Urban-Barry Greenstone Belt has an east-west extent of 135 kilometres and varies from 4 to 20 kilometres wide.

The newly staked claims are directly adjacent to Osisko Mining Inc.'s Urban-Barry property and are likewise underlain by a series of northeast-trending, southeast-dipping, tholeiitic volcanic rocks. The volcanic stratigraphy is intersected by numerous faults, either sub-parallel to the stratigraphy or northeast-trending at a high angle to the stratigraphy. The volcanic rocks are in places intruded by syn-volcanic to late (post mineralization) intrusions. Osisko's Windfall project is the most advanced project in the Belt with an 800,000-metre deposit definition drilling program underway (www.osiskomining.com/projects/urban_barry). Bonterra Resources Inc. is the second most active company in the area with a 40,000-metre drill program underway at its Gladiator project (www.bonterraresources.com/en/gladiator/overview). The Skyfall claims, located approximately 40 kilometres due east of the Windfall and Gladiator projects, have seen limited previous exploration work with only one documented drill hole.

Hinterland is seeking joint venture or equity financing to fund exploration on the Skyfall property. The proposed program includes airborne geophysical surveys followed by surface mapping, prospecting and sampling. The estimated cost of the exploration is $200,000.

6. INVESTING ACTIVITIES (CONT'D)

f) Chilton Cobalt, Quebec

In 2016, Hinterland staked the 9-claim (496-hectare) Chilton Cobalt property located approximately 40 kilometres east of Saint-Jovite, in the Laurentian region of Quebec. The property is underlain primarily by gabbroic to anorthositic rocks of the Morin Intrusive Suite; lesser quartzite is also present. All of these rocks are within the Grenville Province of the Canadian Shield. The property covers four documented cobalt-copper-nickel showings called SC-95-02, Chilton, Lac Sicotte and Lac du Marcheur.

In October 2016, Hinterland completed a brief prospecting and sampling program on the Chilton property and successfully verified promising cobalt values at SC-95-02, Chilton, Lac Sicotte showings.

In February 2017, Hinterland sold the Chilton project to Green Swan Capital Corp. (subsequently renamed "CBLT Inc.") 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 CBLT Inc. 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. CBLT Inc. may purchase one-half of the royalty interest for $1 million cash.

g) Lockout Gold project, Quebec

The Company held a 100% interest in the 16-claim (558-hectare) Lockout property located 100 kilometres due east of the town of Quevillon, in the Barry-Urban Greenstone Belt. In March 2016, the Company sold the property to Beaufield for $50,000 cash and 250,000 common shares of Beaufield (at deemed value of $18,750). The Company retains a 2% net smelter returns royalty. Beaufield has the right to purchase one-half (i.e., 1%) of the royalty interest for $1 million cash, and has the right of first refusal on the remaining 1%.

h) Ebay PGE Project, Quebec

In June 2016, Hinterland staked 10 claims (520-hectare) 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.

Hinterland is seeking joint venture or equity financing to fund exploration on the Ebay property. The proposed program includes re-mapping, prospecting and sampling a number of trenches excavated in 2008. The estimated cost of the exploration is $10,000. An additional $650 is required for claim renewals.

i) Tardif Gold, Québec

In September 2017, the Company acquired the 12-claim (671-hectare) Tardif property located approximately 50 kilometres north of Quevillon in the Abitibi Region of Quebec. These claims were staked to cover a segment of a regional scale banded iron formation that is known in places to contain significant gold mineralization. Hinterland is currently re-interpreting proprietary surface geophysical data to generate drill targets. The Company is seeking a joint venture partner to fund a drilling campaign in 2018 at an estimated cost of $100,000.

j) Belleterre Copper-Nickel-PGE, Quebec

On July 2, 2017, the Company entered into a sale and purchase agreement with Australia based Zeus Minerals Corp. ("Zeus") and Fieldex Exploration Inc. ("Fieldex") whereby the Company and Fieldex sold their respective 30% and 70% interests in the Belleterre property located in the Timiskaming area of Quebec. The consideration paid to Hinterland was $21,000 comprised of $10,500 cash and $10,500 in fully paid common shares of Zeus. Zeus did not obtain a listing on the Australian Stock Exchange, and instead settled the share payment by assigning 350,000 shares of Meteoric Resources NL (ASX:MEI) to Hinterland.

6. INVESTING ACTIVITIES (CONT'D)

l) Cape Spencer Gold Project, New Brunswick

In June 2016, the Company staked the Cape Spencer property, located 15 km east of Saint John New Brunswick. Hinterland completed a soil geochemical survey property in 2017. The results were very discouraging and accordingly $14,057 in costs associated with Cape Spencer were written off as of December 31, 2017.

m) Teck Gold Project, 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. Hinterland has no immediate work plans for the Teck project in 2017. 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.

n) Gowganda Cobalt Project

In March 2017, Hinterland staked 188 claim units (3,008 ha) in the Gowganda area of Ontario located 85 kilometres northwest of Cobalt, Ontario. The silver-cobalt mineralization found at Gowganda is identical to that found at Cobalt. From 1910 to 1989 Gowganda produced 60.1 million ounces of silver and 1.4 million pounds of cobalt representing 11% of the total silver and 6% of the total cobalt endowment of the Cobalt-Gowganda camp. Output was from ten separate mines with the Miller-O'Brien mine in Nicol Township being the largest, with production of 38.0 million ounces silver and 0.8 million pounds cobalt. The staking was targeted to cover mineral occurrences documented in the Ontario Mineral Deposits Inventory database and prospective Nipissing Gabbro sills.

In May 2017, Hinterland sold the Gowganda claims to Green Swan Capital Corp. (subsequently renamed "CBLT Inc.") 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 CBLT Inc. 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. CBLT Inc. may purchase one-half of the royalty interest for $1 million cash.

o) TAK Gold Project, Yukon

In January 2017, the Company sold to Eureka Resources Inc. ("Eureka") its 25% interest in the Tak property located in Yukon for 125,000 shares of Eureka valued at $12,500.

7. FINANCING

On August 17 and September 7, 2016, the Company closed a non-brokered private placement in two tranches for gross proceeds of $433,500 by issuing 8,670,000 units at a price of $0.05 per unit. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share of the Company at a price of $0.10 until August 17, 2018 and September 7, 2018 respectively.

In connection with the Offering, Hinterland paid total finder's fees of $25,900 in cash, issued 175,000 finder's shares (valued at $7,875), and issued 343,000 non-transferable agent's warrants. Each agent's warrant entitles the agent to purchase one additional common share of the Company at a price of $0.05 per agent's warrant until August 17, 2018.

8. LIQUIDITY

As at December 31, 2017, the Company had working capital of $47,680 (95,901 as at December 31, 2016). Exploration beyond basic maintenance on any of its mineral properties would require that the Company raise funds by additional equity financing, participation by joint venture partners or by selling property interests in whole or in part. In the past, the Company has been able to rely on its ability to raise funds in public or privately negotiated equity offerings. There is no assurance that such financing will be available when required or under terms that are favourable to the Company. The Company may also elect to advance the exploration and development of mineral properties through joint-venture participation.

Cash flow required	**2018**
	$
Operating expenses, excluding non-cash items	200,000
Exploration budget (subject to successful financing)	750,000
Property maintenance	65,000
Total	**1,015,000**

Financing is required in 2018 by the Company for exploration, acquisition and property maintenance.

9. FOURTH QUARTER

The Company's loss for the three-month period ended December 31, 2017 ("Q4-17") was $55,149 compared to a loss of $38,457 in the three-month period ended December 31, 2016 ("Q4-16"). This increased loss is due to several items:

- Write-offs of mineral properties in Q4-17 were $14,057 compared to (nil in Q4-16) (see Section 6 Investing Activities);
- No financing was completed in Q4-17 or Q4-16.

In Q4-17, the Company spent $5,642 ($31,766 in Q4-16) on exploration.

10. SELECTED ANNUAL INFORMATION

	Fiscal year ended December 31,		
	2017	**2016**	**2015**
	$	**$**	**$**
Net loss for the year	(144,545)	(159,528)	(841,626)
Net loss per share	-	-	-
Total assets	696,475	765,388	500,811

11. SELECTED QUARTERLY INFORMATION

	Three-month period ended			
	December 31, 2017	**September 30 2017**	**June 30 2017**	**March 31 2017**
		$	**$**	**$**
Net loss for the period	(55,149)	(94,791)	(19,019)	24,414
Net loss per share	-	-	-	-
Total assets	**696,475**	**756,259**	**840,446**	**819,137**

	Three-month period ended			
	December 31, 2016	**September 30 2016**	**June 30 2016**	**March 31 2016**
		$	**$**	**$**
Net loss for the period	(38,457)	(76,622)	(27,094)	(17,355)
Net loss per share	-	-	-	-
Total assets	**765,388**	**793,987**	**520,168**	**514,922**

12. RELATED PARTY DISCLOSURES

In the normal course of operations in 2017:

- A company controlled by Mark Fekete, CEO and director, charged management fees of $30,000, ($30,000 in 2016), professional fees relating to exploration work and staking of $41,300 ($47,764 in 2016), rent of $12,000 ($13,000 in 2016);
- A company controlled by Ingrid Martin, CFO, charged professional fees in accounting for $17,654 ($29,870 in 2016) and professional fees for her staff of $5,252 ($10,135 in 2016);
- Greg Fekete, director and secretary, charged management fees of $9,600 ($9,600 in 2016);
- John Langton, director up to June 13, 2017, charged professional fees relating to exploration work amounting to $nil ($10,500 in 2016);
- As at December 31, 2017, the balance due to the related parties was $91,886 ($51,918 as at December 31, 2016).

Out of the normal course of operations:

- As part of the 2016 private placement described in Section 7 Financing, certain officers of the Company subscribed for 820,000 units for $41,000.

13. SUBSEQUENT EVENT

There is no subsequent event to be disclosed.

14. DISCLOSURE OF OUTSTANDING SHARE DATA

	As of April 12, 2018	As of December 31, 2017
Common shares	42,269,614	42,269,614
Options	3,800,000	3,800,000
Warrants	10,503,000	10,503,000
Fully diluted	**56,572,614**	**56,572,614**

15. STOCK OPTION PLAN

An incentive stock option plan (the "Plan") was approved in 2004 and renewed by shareholders on June 13, 2017. The Plan is a "rolling" plan whereby a maximum of 10% of the issued shares at the time of the grant are reserved for issue under the Plan to executive officers and directors, employees and consultants. The Board of directors attributes the stock options and the exercise price of the options is set at the Company's closing share price on the day before the grant date. The options have a maximum term of five years and have no vesting period except for options granted to persons performing investor relations activities which must at a minimum vest in stages over a period not less than 12 months with no more than one fourth of the option vesting in any three-month period. All share-based payments will be settled in equity. The Company has no legal or constructive obligation to repurchase or settle the options in cash.

The purpose of the stock option plan is to serve as an incentive for the directors, officers and service providers who will be motivated by the Company's success as well as to promote ownership of common shares of the Company by these people. There is no objective attached to the plan and no relationship to manage the Company's risks.

16. OFF-BALANCE SHEET ARRANGEMENTS

As at December 31, 2017, the Company does not have any off-balance sheet arrangements.

17. CHANGES IN ACCOUNTING POLICIES

No changes in accounting policies to report for 2017.

18. JUDGMENT, ESTIMATES AND ASSUMPTIONS

When preparing the financial statements, management makes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

a) Significant management judgment

The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Recognition of deferred income tax assets and measurement of income tax expense

Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgment. To date, management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carry-forward period.

18. JUDGMENT, ESTIMATES AND ASSUMPTIONS (CONT'D)

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, to meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances.

b) Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment of exploration and evaluation assets

Determining if there are any facts and circumstances that indicate impairment losses or reversal of impairment losses is a subjective process involving judgment and a number of estimates and assumptions in many cases. When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset or the cash-generating units must be estimated.

In assessing impairment, the Company must make some estimates and assumptions regarding future circumstances, in particular, whether an economically viable extraction operation can be established, the probability that the expenses will be recovered from either future exploitation or sale when the activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Company's capacity to obtain financial resources necessary to complete the evaluation and development and to renew permits. Estimates and assumptions may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the period when the new information becomes available. The total write-off on exploration and evaluation assets recognized in profit or loss amounts to $71,352 ($nil in 2016) while no impairment loss on exploration and evaluation assets was recognized in 2017 and 2016. No reversal of impairment losses has been recognized for the reporting periods.

Management judged that there was no testing for impairment required this year on properties. The Company has sufficient funds to respect its short term obligations and has both the intention and capacity to keep the properties. Additionally, exploration work are budgeted, claims will not expire in the near future or are expected to be renewed, work was performed during the last three years and/or promising results were obtained on these properties.

Stock-based payments

The estimation of stock-based payment costs requires the selection of an appropriate valuation model and data and consideration as to the volatility of the Company's own share, the probable life of stock options and warrants granted and the time of exercise of those stock options and warrants. The model used by the Company is the Black-Scholes valuation model.

Mining tax credits and government grants receivable

The calculation of the Company's refundable tax credit on qualified exploration expenditure incurred and refundable tax credit involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until a notice of assessment has been issued by the relevant taxation authority and payment has been received. Difference arising between the actual results following final resolution of some of these items and the assumptions made could necessitate adjustments to the refundable tax credit, exploration and evaluation assets, and income tax expense in future periods.

19. FINANCIAL INSTRUMENTS

The Company is exposed to various financial risks resulting from both its operations and its investments activities. The Company's management manages financial risks. The Company does not enter into financial instrument agreements including derivative financial instruments for speculative purposes. The Company's main financial risk exposure and its financial risk management policies are described below.

a) 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 is subject to concentrations of credit risk through cash. As at December 31, 2017, the Company's maximum exposure to credit risk is limited to the carrying amount of these financial assets at the reporting date totaling $14,472 ($78,729 as at December 31, 2016). The exposure to credit risk for cash is considered negligible since the counterparties are reputable banks with high quality external credit ratings. The Company continuously monitors defaults of counterparties.

b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet the obligations associated with its financial liabilities. The Company manages its financial resources to ensure that there is sufficient working capital to fund near term planned exploration work and operating expenditures. As of December 31, 2017, the Company had enough funds available to meet its financial liabilities. Accounts payable and accrued liabilities are due within three months.

c) Fair Value

Fair value estimates are made at the financial position date, based on relevant market information and other information about financial instruments. The fair value of the listed shares is based on the last bid price on the stock market at the end of the period (level 1 of the fair value hierarchy). The carrying value of cash, other receivables and accounts payable and accrued liabilities are considered to be an approximation of fair value because of the short maturity of these instruments.

The method and valuation techniques for the purpose of measuring fair value are unchanged compared to the previous reporting periods.

d) Market risk – other price risk

The listed shares held by the Company are exclusively shares from issuers on the Exchange whose activities are in the mineral exploration and mining field. The fair value of the listed shares represents the maximum exposure to price risk. As of December 31, 2017, a 49% decrease (increase) in the closing price on the stock market would result in an estimated increase (decrease) in operating loss of approximately $42,024 ($1,750 as at December 31, 2016).

20. RISK FACTORS

a) Exploration and Mining Risks

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. At present, there are no known bodies of commercial ore on the mineral properties of which the Company intends to acquire an interest and the proposed exploration program is an exploratory search for ore. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the conduct of exploration programs. The Company from time to time augments its internal exploration and operating expertise with due advice from consultants and others as required. The economics of developing gold and other mineral properties is affected by many factors including the cost of operations, variation of the grade of ore mined and fluctuations in the price of any minerals produced. There are no underground or surface plants or equipment on the Company’s mineral properties, or any known body of commercial ore. Programs conducted on the Company's mineral property would be an exploratory search for ore.

b) Titles to Property

While the Company has diligently investigated title to the various properties in which it has interest, and to the best of its knowledge, title to those properties are in good standing, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements or transfer, or native or government land claims, and title may be affected by undetected defects.

c) Permits and Licenses

The Company’s operations may require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects.

d) Metal Prices

Even if the Company's exploration programs are successful, factors beyond the control of the Company may affect marketability of any minerals discovered. Metal prices have historically fluctuated widely and are affected by numerous factors beyond the Company's control, including international, economic and political trends, expectations for inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and worldwide production levels. The effect of these factors cannot accurately be predicted.

e) Competition

The mining industry is intensely competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral interests as well as for recruitment and retention of qualified employees.

20. RISK FACTORS (CONT'D)

f) Environmental Regulations

The Company's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions of spills, release or emission of various substances produced in association with certain mining industry operations, such as seepage from tailing disposal areas, which could result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require submissions to and approval of environmental impact assessments. Environmental legislation is evolving in a manner, which means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations.

g) Conflicts of Interest

Certain directors of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interest of the Company and to disclose any interest, which they may have in any project or opportunity of the Company.

If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

h) Stage of Development

The Company's properties are in the exploration stage and to date none of them have a proven ore body. The Company does not have a history of earnings or the provision of return on investment, and in future there is no assurance that it will produce revenue, operate profitably or provide a return on investment.

i) Industry Conditions

Mining and milling operations are subject to government regulations. Operations may be affected in varying degrees by government regulations such as restrictions on production, price controls, tax increases, expropriation of property, pollution controls or changes in conditions under which minerals may be mined, milled or marketed. The marketability of minerals may be affected by numerous factors beyond the control of the Company, such as government regulations.

The Company undertakes exploration in areas that are or could be the subject of native land claims. Such claims could delay work or increase exploration costs. The effect of these factors cannot be accurately determined.

j) Uninsured Hazards

Hazards such as unusual geological conditions are involved in exploring for and developing mineral deposits. The Company may become subject to liability for pollution or other hazards, which cannot be insured against or against which the Company may elect not to insure because of high premium costs or other reasons. The payment of any such liability could result in the loss of Company assets or the insolvency of the Company.

k) Future Financing

The completion of future exploration programs, staking and property maintenance obligations and overall corporate operating expenses may require additional financing, which may dilute the interests of existing shareholders.

20. RISK FACTORS (CONT'D)

l) Key Employees

Management of the Company rests on a few key officers, the loss of any of whom could have a detrimental effect on its operations.

m) Canada Revenue Agency and provincial agencies

No assurance can be made that Canada Revenue Agency or provincial agencies will agree with the Company's characterization of expenditures as Canadian exploration expenses or Canadian development expense or the eligibility of such expenses as Canadian exploration expense under the *Income Tax Act* (Canada) or any provincial equivalent.

n) Investment in listed shares

Hinterland's investments in securities of publicly traded companies in the resource sector are subject to volatility in the share prices of the companies. There can be no assurance that an active trading market for any of the subject shares is sustainable. The trading prices of the subject shares could be subject to wide fluctuations in response to various factors beyond the control of Hinterland, including, the high degree of risk associated to the business of exploration for minerals, quarterly variations in the subject companies' results of operations, changes in earnings (if any), estimates by analysts, conditions in the industry of the subject companies and general market or economic conditions. Such market fluctuations could adversely affect the market price of the Company's investments.

The Company may participate in a limited number of investments and, as a consequence, the Company's financial results may be adversely affected by the unfavourable performance of such investments.

21. FORWARD-LOOKING INFORMATION

This management's discussion and analysis contains forward-looking statements reflecting the Company's objectives, estimates and expectations. These statements are identified by the use of verbs such as "estimate", "believe", "anticipate", "intend", "expect", "plan", "may", "should", "will", and the negative thereof or other variations thereon or comparable terminology. By their very nature, these types of statements involve risk and uncertainty. Consequently, results could differ materially from the Company's projections or expectations.

April 12, 2018

(s) Mark Fekete	*(s) Ingrid Martin*
Mark Fekete	Ingrid Martin
President and Chief Executive Officer	Chief Financial Officer