Management's Discussion and Analysis ("MD&A")
for the Three Months Ended February 29, 2016

The following information, prepared as of April 29, 2016, should be read in conjunction with the unaudited condensed interim consolidated financial statements of Search Minerals Inc. (the "Company" or "Search") for the three months ended February 29, 2016, together with the audited consolidated financial statements of the Company for the year ended November 30, 2015 and the accompanying Management's Discussion and Analysis (the "MD&A") for that fiscal year. The referenced unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are expressed in Canadian dollars unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

Forward-looking statements look into the future and provide an opinion as to the effect of certain events and trends on the business. Forward-looking statements may include words such as "plans", "intends", "anticipates", "should", "estimates", "expects", "believes", "indicates", "suggests" and similar expressions.

This MD&A contains forward-looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors. Information concerning mineral resource estimates and the interpretation of drill results may also be considered a forward-looking statement, as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed.

It is important to note the following:

- Unless otherwise indicated, forward-looking statements in this MD&A describe the Company's expectations as of April 29, 2016.

- Readers are cautioned not to place undue reliance on these statements as the Company's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. Therefore, the Company cannot provide any assurance that forward-looking statements will materialize. Factors that could cause results or events to differ materially from current expectations expressed or implied by the forward-looking statements include, but are not limited to, possible variations in mineral resources, labour disputes, operating or capital costs; availability of sufficient financing to fund planned or further required work in a timely manner and on acceptable terms; failure of equipment or processes to operate as anticipated; and political, regulatory, environmental and other risks of the mining industry.

- Subject to applicable laws, the Company assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason.

For a description of material factors that could cause the Company's actual results to differ materially from the forward-looking statements in this MD&A, please see "Risks and Uncertainties."

GENERAL

The Company was incorporated on June 7, 2006 under the *Business Corporations Act* of British Columbia and the Company is trading on the TSX Venture Exchange under the symbol "SMY.V."

The Company is focused on creating value through finding and developing "critical rare earth element ("CREE")" mineral assets in Labrador. CREEs (Nd, Pr, Eu, Tb, Dy, Y) and strategic metals have growing demand, constrained or restricted supply and are commonly used in innovative technologies.

Search is the discoverer of the Port Hope Simpson CREE District, a highly prospective CREE belt located in southeast Labrador, where the Company controls a belt 70 km long and up to 8 km wide. Search owns 100% of the advanced CREE resource called the Foxtrot Project ("Foxtrot"), and a recently announced Foxtrot-like prospect called "Deepwater Fox". In addition, the Company has identified more than 20 other Foxtrot-like prospects in the District. The primary focus of Search is to continue to advance the Foxtrot resource, while evaluating other Foxtrot-like prospects. Several of the Foxtrot-like prospects require exploration drilling programs and may provide additional resources to a central processing facility that would be situated within the District.

In addition, Search holds a number of other CREE mineral prospects in Labrador in its portfolio, including claims in the Red Wine Complex and in the Henley Harbour area.

OVERALL PERFORMANCE

The Company continues to enhance shareholder value and advance the mineral properties. Management has been diligent in reducing overhead, dealing with creditors, funding and advancing the projects and working to provide a stronger balance sheet. The Company continues to seek out government assistance or other non-dilutive and alternative financings to advance the Foxtrot Project.

On December 18, 2015, the Company settled $58,023 of payables by paying cash of $19,466 and by issuing 667,143 common shares at the fair value of $0.05 per share resulting in a gain on settlement of accounts payable and accrued liabilities of $5,200. The number of shares issued to settle the debt was determined using a share price of $0.06 per share.

On February 16, 2016, the Company announced the results of an updated Preliminary Economic Assessment ("PEA") on its Foxtrot Project. The PEA evaluates an open pit-underground scenario with lower capital costs, a lower mining rate and higher grade processing facility feed. The revised PEA was prepared by Roscoe Postle Associates Inc. ("RPA"). It reconfirms the Foxtrot Project has robust economics and the potential to become a profitable produce of REE. Refer to the news release for highlights as well as the mineral properties section below.

On March 29, 2016, the Company announced that it had received the final instalment of $200,000 from InCoR Holdings Inc. ("InCoR") relating to the Patent Purchase Agreement between Search and InCoR previously announced on September 30, 2015. This final payment of $200,000 fully satisfies and discharges InCoR from any further obligation under the Patent Purchase Agreement. Total consideration of $650,000 was received by Search.

OUTLOOK

Search continues to maintain and evaluate its REE properties in the Port Hope Simpson REE District, which include the Deepwater Fox Prospect and the Company's flagship property, the Foxtrot Project. The primary focus of Search is to continue to advance the Foxtrot resource, while evaluating other Foxtrot-like prospects. Several of the Foxtrot-like prospects require exploration drilling programs and may provide additional resources to feed a central processing facility that would be situated within the District.

The Company received funding approval from Atlantic Canada Opportunity Agency ("ACOA") and Research Development Corporation of Newfoundland and Labrador ("RDC") for up to $ 1,250,000 towards a budgeted pilot plant cost of $1,900,000. The expected completion date for this project is September 2016. The goal of the pilot plant is to:

1) Optimize the process
2) Demonstrate on a larger scale
3) Test new equipment
4) Produce product for refinery evaluation
5) Generate engineering design data for a feasibility study

Search completed an updated Preliminary Economic Assessment ("PEA") which provided an initial capital cost of $152M, with $33M contingency, with after-tax IRR of 16.7% and after-tax payback of 4.4 years.

This PEA evaluates an open pit-underground scenario with lower capital costs, a lower mining rate and higher grade processing facility feed. The revised PEA was prepared by Roscoe Postle Associates Inc. ("RPA") and the results are being disclosed in accordance with National Instrument 43-101 ("NI 43-101"). It reconfirms that the Foxtrot Project has robust economics and the potential to become a profitable producer of Rare Earth Elements ("REE"), particularly Dy, Nd, Pr and Tb. The PEA's objective was to incorporate the Mineral Processing Engineering Study ("Study") prepared by SNC-Lavalin for the Company in June 2015.

The Study reports the estimated construction and operating costs for a REE mineralization treatment facility in SE Labrador which applies Search's proprietary process for treatment of REE mineralization from the Company's Foxtrot Deposit. The proprietary process is a direct leach on crushed material, thereby eliminating grinding, flotation, gravity and magnetic separation, and as a result produces waste which is a dry stackable inert residue, thereby eliminating the need for wet tailing ponds. Search has been able to reduce the initial capital costs as a smaller, yet profitable, scale operation. Management continues to review advancement in separation technology which could provide the same or lower separation pricing as existing proven solvent extraction pricing.

The Company continues to seek out potential strategic and off-take partners to advance the Foxtrot Project and other potential prospects in the District.

The Company plans to initiate an Environmental Baseline study to commence in the near-term. The Deepwater Fox channel results are very encouraging and warrant further work, however, this will be dependent on further financing on favourable terms.

MINERAL PROPERTIES

The rare metals elements ("REE") mentioned are defined as follows: La – Lanthanum, Ce – Cerium, Pr – Praseodymium, Nd – Neodymium, Pm – Promethium, Sm – Samarium, Eu – Europium, Gd – Gadolinium, Tb – Terbium, Dy – Dysprosium, Ho – Holmium, Er – Erbium, Tm – Thulium, Yb – Ytterbium, Lu – Lutetium, Y – Yttrium, Zr – Zirconium and Nb – Niobium.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee a clear title. Property title may be subject to unregistered prior agreements and regulatory requirements. The Company is not aware of any disputed claims of title.

Port Hope Simpson REE District, Labrador

Search is the discoverer of the Port Hope Simpson CREE District, a highly prospective CREE belt located in southeast Labrador, where the Company controls a belt 70 km long and up to 8 km wide. Search owns 100% of the advanced CREE resource called the Foxtrot Project, and a recently announced Foxtrot-like prospect called "Deepwater Fox". In addition, the Company has identified more than 20 other Foxtrot-like prospects in the District. The primary focus of Search is to continue to advance the Foxtrot resource, while evaluating other Foxtrot-like prospects. Several of the Foxtrot-like prospects require exploration drilling programs and may provide additional resources that would be situated within the District.

Metallurgy and Updated Preliminary Economic Assessment

On February 16, 2016, the Company announced the results of the updated Preliminary Economic Assessment ("PEA") on its Foxtrot Project. The PEA evaluates an open pit-underground scenario with lower capital costs, a lower mining rate and higher grade processing facility feed. The revised PEA was prepared by Roscoe Postle Associates Inc. ("RPA"). It reconfirms the Foxtrot Project has robust economics and the potential to become a profitable produce of REE. Highlights of the PEA include:

- $152 million initial capital cost – includes $33 million contingency
- $57 million underground mining capital (Year 8)
- $23 million sustaining and closure capital
- $1.713 billion total net revenue
- Net Present Value (10%) discount rate of $93 million pre-tax and $48 million after-tax
- Internal rate of return of 22.2% pre-tax and 16.7% after-tax
- Payback period of 3.5 years pre-tax and 4.4 years after-tax
- Undiscounted cash flow of $327 million pre-tax and $226 million after tax
- Mine life: 14 years: 8 years open pit, 6 years underground

The Mineral Processing Engineering Study from SNC-Lavalin (June 2015) along with the updated Foxtrot Mineral Resource (December 2015) was the basis of the PEA to ensure Search's proprietary metallurgy process would lead to significant cost savings in capital and operating costs. Search has been able to reduce the initial capital costs as a smaller, yet profitable, scale operation. The Foxtrot project supports low initial capital costs, a good IRR, a short payback period, and is scalable. A feature of the Foxtrot deposit geology allows Search to commence mining in mineralized material for early cash flow. The Processing Facility for this PEA would be located at the proposed Foxtrot mine site, however, further development in the District may determine that an alternative location may be more beneficial. Advancement in separation technology continues which could provide the same or lower separation pricing as existing proven solvent extraction pricing. The PEA outlines our current business model as Search continues to seek potential strategic and off take partners.

Red Wine Property, Labrador

On March 16, 2010, the Company entered into an option agreement (the "Letter Agreement") with Great Western Minerals Group Ltd. ("GWG") whereby GWG could acquire up to a 50% working interest in the Company's Red Wine property, located approximately 100km north-east of Churchill Falls, Labrador. Under the terms of the Letter Agreement, GWG paid an aggregate of $225,000 and GWG issued an aggregate of 1,050,000 common shares to Search and funded exploration programs of an aggregate of $1,500,000 of exploration expenditures. On June 28, 2011, the Company announced that GWG had earned a 50% interest in the Red Wine Property.

On June 28, 2015, the Company purchased from Great Western Minerals Group Ltd. ("GWMG") its interest in the Red Wine Property for $20,000. GWMG had acquired its approximate 50% interest in the Red Wine Property pursuant to an option agreement between the Company and GWMG dated July 23, 2010. Following the acquisition, the Company now owns 100% of the Red Wine Property. Although the Company has written-down costs for accounting purposes, the Company still holds the Red Wine Property.

RESULTS OF OPERATIONS

The Company had a loss of $185,339 ($0.00 per share) for the three months ended February 29, 2016 as compared to a loss of $167,733 ($0.00 per share) for the three months ended February 28, 2015. The table below details certain non-cash or unusual transactions that for the purposes of this discussion have been adjusted out of the reported loss to produce an adjusted loss that forms a better basis for comparing the period over period operating results of the Company.

	2016 ($)	2015 ($)
Loss for the period as reported	(185,339)	(167,733)
Add (deduct):		
Amortization	3,046	4,762
Gain on debt settlement	(5,200)	-
Adjusted loss for the period [1]	(187,493)	(162,971)

[1] Adjusted loss for the period is not a term recognized under IFRS.

- During the 2016 period, the Company the Company settled $58,023 of payables by paying cash of $19,466 and by issuing 667,143 common shares at the fair value of $0.05 per share resulting in a gain on settlement of accounts payable and accrued liabilities of $5,200. The number of shares issued to settle the debt was determined using a share price of $0.06 per share.

The increase in the adjusted loss for the three months ended February 29, 2016 compared to the three months ended February 28, 2015 is the net result of a number of differences in various expenses as follows:

- Accounting and audit fees of $11,190 (2015: $11,754) are comprised of fees to maintain the accounting records and prepare financial reports as required.
- Administration expense and management fees of $59,175 (2015: $54,158) are comprised of fees paid to executive management of the company as well as administrative staff.
- Consulting fees of $22,500 (2015: $22,500) includes consulting fees paid to the VP of Technology.
- Legal fees of $11,754 (2015: $15,474) are general legal fees to comply with various regulations.
- Regulatory and transfer agent fees of $11,907 (2015: $5,082) increased in the current period as TSX-V fees were paid in February this period as compared to March in the prior period.
- Travel and accommodation expenses of $14,001 (2015: $5,082) includes executive travel to the properties in Newfoundland as well as travel for investor relations purposes.

QUARTERLY INFORMATION

The following is selected financial data from the Company's unaudited quarterly financial statements for the last eight quarters ending with the most recently completed quarter, being the three months ended February 29, 2016.

	Three Months Ended ($)			
	Feb 29, 2016	**Nov 30, 2015**	**Aug 31, 2015**	**May 31, 2015**
Total Revenues	-	-	-	-
(Loss) Income	(185,339)	512,695	(424,859)	380,865
(Loss) Income Per Share (basic and diluted)[1]	(0.00)	0.00	(0.00)	0.00
Total Assets	10,222,931	10,213,175	9,469,649	8,937,870
Total Liabilities	1,120,594	951,356	1,022,800	976,273
Shareholders' Equity	9,102,337	9,261,819	8,446,849	7,961,597

	Three Months Ended ($)			
	Feb 28, 2015	**Nov 30, 2014**	**Aug 31, 2014**	**May 31, 2014**
Total Revenues	-	-	-	-
Loss	(167,733)	(62,781)	(282,393)	(516,928)
Loss Per Share (basic and diluted)[1]	(0.00)	(0.00)	(0.00)	(0.01)
Total Assets	9,092,199	9,342,465	8,994,998	8,446,237
Total Liabilities	1,511,467	1,596,250	2,031,424	1,678,148
Shareholders' Equity	7,580,732	7,746,215	6,963,574	6,768,089

[1] The basic and diluted calculations result in the same values.

The income recorded for the three months ended November 30, 2015 was from a $150,000 gain on the sale of Red Wine Property and a $650,000 gain from the sale of SALT. The increase in the loss recorded during the three months ended August 31, 2015 was due to the recording $245,174 of share-based payments expense. The income recorded for the three months ended May 31, 2015 was due to the gain on settlement of debts of $444,102 and a $100,000 gain from the sale of SALT.

FINANCING ACTIVITIES

During the three months ended February 29, 2016, the Company did not complete any financing activities. The Company did receive cash during the quarter as a result of the sale of SALT on September 30, 2015.

LIQUIDITY AND CAPITAL RESOURCES

The Company's operations consumed $187,493 of cash, before working capital items, during the three months ended February 29, 2016 (2015: $162,971) with an additional $91,544 (2015: $244,302) utilized on mineral property acquisition costs and deferred exploration expenditures. The cash requirement for the three months ended February 29, 2016 was fulfilled from cash on hand at the beginning of the period and the receipt of $200,000 of cash from InCoR.

Subsequent to February 29, 2016, the Company sold 725,000 common shares of the 1,500,000 common shares received from Quest for the sale of the Strange Lake properties. The sale of the common shares was for gross proceeds of $84,483.

The Company's aggregate operating, investing and financing activities during the three months ended February 29, 2016 resulted in a net decrease in its cash balance from $406,852 at November 30, 2015 to $331,915 at February 29, 2016. The Company's working capital decreased by $259,797 correspondingly during the period and stood at negative $175,804 at February 29, 2016. The Company has accumulated losses since inception of $15,183,180.

The Company does not have any commitments for material capital expenditures over the near term or long term other than a $10,000 annual payment to the vendors of the Quinlan Property commencing February 23, 2016.

The Company has not put into commercial production any of its mineral properties and as such has no operating revenues or cash flows. Accordingly, the Company is dependent on the equity markets as its sole source of operating working capital, and the Company's capital resources are largely determined by the strength of the junior resource capital markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects. Since the Company will likely not have cash flows from operations over the next year, it will have to continue to rely upon equity and debt financing during such period. There can be no assurance that financing, whether debt or equity, will always be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to it.

GOING CONCERN

The condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for the foreseeable future. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current operations, including exploration programs, will result in profitable mining operations. The recoverability of the carrying value of exploration and development properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values.

At February 29, 2016, the Company had not yet achieved profitable operations, had an accumulated deficit of $15,183,180 since inception and expects to incur further losses in the development of its business. Management is in the process of obtaining additional financial resources and believes sufficient resources will be available as required. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. The above factors may cast significant doubt upon the Company's ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business.

TRANSACTIONS WITH RELATED PARTIES

During the three months ended February 29, 2016 and February 28, 2015, the Company incurred the following expenditures charged by directors and officers of the Company, or former directors and officers of the Company, and/or companies they owned or were significant shareholders of:

	2016	2015
	$	$
Administration and management fees[1]	**58,750**	52,917
Consulting fees[2]	**22,500**	22,500
Non-executive directors fees	**13,500**	13,500
Mineral property expenditures		
Geological consulting, salaries, wages and benefits[3]	**32,499**	32,499
Rent	**15,000**	-
	142,249	121,416

(1) Includes salary earned by the Chairman of the Board, Jim Clucas, and fees billed by the CEO, Greg Andrews. The business purpose of the transactions was to compensate the individuals for administration and management services provided. The Company has consulting agreements with Jim Clucas and Greg Andrews that include termination clauses and a change of control provisions calling for lump sum payments.

(2) Includes fees billed by the VP of Technology, Dr. David Dreisinger. The business purpose of the transactions was to compensate Dr. David Dreisinger for assisting with metallurgical work relating to the Company's REE properties. The Company has a consulting agreement with Dr. David Dreisinger. The agreement includes a termination clause and a change of control provision calling for lump sum payments.

(3) Includes fees billed by the VP of Exploration, Dr. Randy Miller. The business purpose of the transactions was to compensate Dr. Randy Miller for managing the mineral properties.

At February 29, 2016, accounts payable and accrued liabilities included $435,340 (November 30, 2015: $379,182) of amounts owing to current directors and officers of the Company and/or companies they control or of which they were significant shareholders. The amounts owing include amounts related to expenditures charged to the Company and for reimbursements of expenditures paid for on behalf of the Company. The amounts owing are unsecured, non-interest bearing and due on demand. The amounts have been recorded at their exchange amount, being the amount agreed to by the parties.

At February 29, 2016, accounts payable and accrued liabilities included $371,430 (November 30, 2015: $371,430) due to former directors. On July 24, 2015, the Company announced that it has been named as a defendant in a lawsuit commenced in the Ontario Superior Court of Justice by two former officers of the Company, Stephen Keith and Alexandre Penha, in relation to an alleged defamatory news release issued by the Company in 2014 and the payment of compensation and expenses. The Company believes that it has meritorious defences and set-offs to the claims and intends to vigorously defend the action. On March 1, 2016, the Company filed a counterclaim.

Key management includes the CEO, the VP of Exploration and the directors of the Company. The compensation paid or payable to key management for services during the three months ended February 29, 2016 and February 28, 2015 is identical to the table above. The compensation paid or payable was for short-term benefits.

FINANCIAL INSTRUMENTS

Designation of Financial Instruments

The Company's financial instruments consist of cash, marketable securities and accounts payable and accrued liabilities. The Company designated its cash as loans and receivables, which are measured at amortized cost. The marketable securities are designated as available-for-sale financial assets, which are measured at fair value. Accounts payable and accrued liabilities are designated as other financial liabilities, which are measured at amortized cost.

Discussions of risks associated with financial assets and liabilities are detailed below:

Credit Risk

Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The Company's cash is held with a large Canadian bank.

Commodity Price Risk

The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in the market price of minerals under exploration.

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient funds to meet its financial obligations when they are due. The Company manages liquidity risk by maintaining sufficient cash and cash equivalent balances to enable settlement of transactions on the due date. Management monitors the Company's contractual obligations and other expenses to ensure adequate liquidity is maintained. Refer to the going concern note for additional disclosure. The Company had working capital (deficiency) as follows:

	February 29, 2016 $	November 30, 2015 $
Current assets	**944,790**	1,035,349
Current liabilities	**(1,120,594)**	(951,356)
Working capital (deficiency)	**(175,804)**	83,993

Included in the working capital deficiency are current liabilities that the Company does not plan on settling in cash within twelve months. The amount due to former directors of $371,430 is in dispute and the timing of payment, if any, is unknown. Due to related parties of $435,340 will be settled when the Company has sufficient funds and working capital to do so. The remaining current liabilities ($313,824) are trade payables. The revised working capital, excluding amounts due to related parties and former directors, is $630,966.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

a) Currency Risk

As at February 29, 2016 and November 30, 2015, all of the Company's cash was held in Canadian dollars, the Company's functional currency. The Company has no operations in foreign jurisdictions outside of Canada at this time and as such has no currency risk associated with its operations. The Company has had nominal amounts of payables in US dollars.

b) Interest Rate Risk

The Company has no interest bearing financial instruments and as such, the Company is not exposed to interest rate risk.

c) Price Risk

Price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. The Company has no financial instruments subject to price risk.

OUTSTANDING SHARE CAPITAL

Authorized: Unlimited number of common shares

Issued and outstanding: 132,491,188 common shares as at April 29, 2016.

Options and warrants outstanding as at April 29, 2016:

Security	Number	Exercise Price	Expiry Date
Stock Options	145,000	$0.260	January 19, 2017
Stock Options	690,000	$0.200	October 17, 2017
Stock Options	1,425,000	$0.100	April 26, 2018
Stock Options	100,000	$0.070	October 29, 2018
Stock Options	6,850,000	$0.100	June 30, 2020
TOTAL	9,210,000		

Security	Number	Exercise Price	Expiry Date
Share Purchase Warrants	4,000,000	$0.200	August 8, 2016
Share Purchase Warrants	532,000	$0.200	August 22, 2016
Share Purchase Warrants	8,300,000	$0.100	August 27, 2016
Share Purchase Warrants	5,960,000	$0.100	September 8, 2016
Share Purchase Warrants	11,700,000	$0.100	October 9, 2016
Share Purchase Warrants	7,950,000	$0.100	July 28, 2017
Share Purchase Warrants	3,203,328	$0.100	August 17, 2017
Share Purchase Warrants	5,000,000	$0.100	October 19, 2017
TOTAL	46,645,328		

DISCLOSURE CONTROLS AND PROCEDURES

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer’s Annual and Interim Filings) (“NI 52-109”), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the consolidated financial statements for the three months ended February 29, 2016 and this accompanying MD&A (together, the “Interim Filings”).

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim Filings on SEDAR at www.sedar.com.

RISKS AND UNCERTAINTIES

The exploration and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not be successful in overcoming. Few mineral properties which are explored ultimately develop into producing mines. There has been no commercial production of minerals on properties held by the Company to date and there is a high degree of risk that commercial production of minerals will not be achieved.

Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. The mining industry is intensely competitive. The commercial viability of a mineral deposit depends on a number of factors including the particular attributes of the deposits (principally size and grade), proximity to infrastructure, the impact of mine development on the environment, environmental regulations imposed by various levels of government and the competitive nature of the industry which causes mineral prices to fluctuate substantially over short periods of time. There can be no assurance that the minerals can be marketed profitably or in such a manner as to provide an adequate return on invested capital.

The operations of the Company are subject to all of the risks normally associated with the operation and development of mineral properties and the development of a mine, including encountering unexpected formations or pressures, caving, flooding, fires and other hazards, all of which could result in personal injuries, loss of life and damage to property of the Company and others. In accordance with customary industry practice, the Company is not fully insured against all of these risks, nor are all such risks insurable.

The operations of the Company’s properties will be subject to various laws and regulations relating to the environment, prospecting, development, production, waste disposal and other matters. Amendments to current laws and regulations governing activities related to the Company’s mineral properties may have material adverse impact on operations.

The Company will need additional funding to complete its long term objectives. The ability of the Company to raise such financing in the future will depend on the prevailing market conditions, competition with other strategic metals exploration stage companies, as well as the business performance of the Company. There can be no assurances that the Company will be successful in its efforts to raise additional financing on terms satisfactory to the Company. If adequate funds are not available or not available on acceptable terms, the Company may not be able to take advantage of opportunities, to develop new projects or to otherwise respond to competitive pressures.

The Company's working capital and liquidity fluctuate in proportion to its ongoing equity financing activities. The Company requires a certain amount of liquid capital in order to sustain its operations and in order to meet various obligations as specified under the its resource property acquisition agreements. Should the Company fail to obtain future equity financing due to reasons as described above, it will not be able to meet these obligations and may lose its interests in the properties covered by the agreements. Further, should the Company be unable to obtain sufficient equity financing for working capital, it may be unable to meet its ongoing operational commitments.

All industries, including the mining industry, are subject to legal claims, with and without merit. The Company may become involved in legal disputes in the future. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the solution of any particular legal proceeding will not have a material adverse effect on the Company's financial position or results of operations.

All of the Company's mineral properties are in the exploration stage. Exploration and development of natural resources involve substantial expenditures and a high degree of risk. Few properties which are explored are ultimately developed into producing properties. Accordingly, the Company has no material revenue, writes off its mineral properties from time to time, and operates at a loss. Continued operations are dependent upon ongoing equity financing activities.

OTHER INFORMATION

Additional information related to the Company is available for viewing on SEDAR at www.sedar.com and at the Company's website at http://www.searchminerals.ca.