



RED PINE EXPLORATION INC.

Management's Discussion and Analysis For the Three-Month Period Ended October 31, 2016

GENERAL

This Management's Discussion and Analysis ("MD&A") of Red Pine Exploration Inc. (the "Company" or "Red Pine") is intended to enable readers to view the company's performance, financial condition and future prospects through management's eyes and to provide material information to readers that may not be fully reflected in the financial statements.

This MD&A is intended to supplement and should be read in conjunction with the Audited Financial Statements and the notes thereto for the years ended July 31, 2016 and 2015. All financial information in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts presented in this MD&A are in Canadian dollars unless otherwise indicated.

Additional information relating to the Company is available on SEDAR at www.sedar.com and on the Company's website at www.redpineexp.com.

This MD&A is prepared as of December 30, 2016 and was approved by the Company's audit committee and by the Board of Directors on December 30, 2016.

CAUTIONARY STATEMENT ON FORWARD LOOKING STATEMENTS

Readers are cautioned not to place undue reliance on forward looking statements contained within this document, which speak only to the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks and uncertainties, including the risks and uncertainties noted within this MD&A, actual events may differ materially from stated expectations.

This MD&A contains forward looking statements, including statements relating to going concern and capital raising and capital requirements, that are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated. Factors that could cause such differences include: changes in world commodity markets, changes in equity markets, changes in costs and supply of materials relevant to the exploration and mining industry, change in governments, changes to government mining and other regulations as well as numerous other risk factors. Although the Company believes expectations reflected in its forward looking statements are reasonable, results may vary, and the Company cannot guarantee future results, levels of activity, performance or achievements.

QUALIFIED PERSON

Quentin Yarie, P.Geo, the Company's President and Chief Executive Officer is the Qualified Person, as defined by NI 43-101, who has reviewed and approved the technical information disclosed in this MD&A.

Red Pine Exploration Inc.
MD&A for the Three-Month Period Ended October 31, 2016

CORE BUSINESS AND OBJECTIVES

Red Pine is a publicly-listed corporation (TSXV: RPX) incorporated under the laws of Ontario and is engaged in the identification, acquisition, advancement and sale of mineral properties with a focus on gold exploration projects located in northern Ontario.

Red Pine's mineral properties are currently in the exploration stage. The Company does not operate any mines and does not generate any recurring revenues. The current exploration priority for the Company is the Wawa Gold Project.

Red Pine's continued operations are dependent upon the ability of the Company to obtain financing for the continued exploration of the Wawa Gold Project to determine the existence of economically recoverable mineralization and future profitable production. Red Pine has not yet determined whether the Wawa Gold Project contains mineralization that is economically recoverable.

As of October 31, 2016, Red Pine had 9 employees in addition to the President & Chief Executive Officer and the Chief Financial Officer. Certain professional, administrative and geological services are provided to Red Pine by independent contractors, including corporations and/or individuals who may be officers or directors of Red Pine. No assurance can be given that qualified employees can be retained by Red Pine when necessary.

The long-term business objectives of the Company are to:

1. acquire mineral properties it considers prospective to strengthen its portfolio of properties,
2. advance the geological knowledge of its mineral properties through successive exploration programs, and
3. if deemed advantageous, dispose of its mineral properties

The value of an exploration property is highly dependent upon the discovery of economically recoverable mineralization, the long-term preservation of the Company's ownership interest in the underlying mineral property, the ability of the Company to obtain the necessary funding to complete sufficient exploration activities on the property, and the prospects of any future profitable production therefrom, or alternatively upon the Company's ability to dispose of its property interests on an advantageous basis.

Risk factors that must be considered in achieving the Company's business objectives include the risk that exploration activities may not result in the discovery of minerals or definition of any mineral resources or reserves, that significant expenses could be required to define mineral reserves, that environmental, land title and competitive issues may prevent the development of any mineral reserves, and that the Company may fail to generate adequate funding to development mineral reserves.

The Company accepts the risks which are inherent to mineral exploration programs and the exposure to the cyclical nature of mineral prices. The Company relies on the geological and industry expertise of its Toronto-based management team and engages sub-contractors to complete certain aspects of its exploration programs.

See the *Risks and Uncertainties* section of this MD&A for additional risk disclosures.

OUTLOOK

The Company is currently sampling 42,000 metres of historic core that was not sampled by previous operators. The goal of the sampling program is to fill in identified gaps in the newly discovered gold-bearing structures of the hanging wall and sections of the Jubilee Shear Zone. Discrete structures appear to be associated with gold intersections in the historic core and may lead to the definition of additional gold resources. More than 269 individual intersections associated with such discrete structures have been identified.

The work completed to date, as part of this expanded sampling program, supports the potential to define additional gold resources within the hanging wall, footwall and within the Surluga Deposit, all without drilling a single new drill hole. This approach was adopted to maximize shareholder value since it realizes significant cost savings compared to a drill program.

Recent exploration updates include the discovery of new gold mineralization zones within the Jubilee sheer zone and the hornblende shear zone (see press release dated December 18, 2015), the discovery of a new gold-bearing shear zone on surface (see press release dated January 12, 2016) and updated drill results with improved composites gold values (see press release dated June 24, 2016). Subsequent to the year-end, the Company announced the discovery of additional gold in sampled historic holes (see press release dated October 4, 2016), a new gold bearing shear zone (see press release dated October 12, 2016) and the definition of a high-grade core in the Surluga deposit (see press release dated November 22, 2016).

On November 14, 2016, the Company and Augustine announced a definitive arrangement agreement whereby Red Pine will acquire all the outstanding securities of Augustine pursuant to the plan of arrangement provisions of the *Business Corporations Act* (Ontario). Upon completion of the Transaction, Augustine will become a wholly-owned subsidiary of Red Pine. For purposes of the Transaction, the parties have agreed that each Augustine common share will be exchanged for 0.76 Red Pine common shares (the "Exchange Ratio"). All the currently outstanding warrants of Augustine will be exercisable pursuant to the terms of such warrant certificates for common shares of the Red Pine with the number of shares issuable and the exercise price adjusted based on the Exchange Ratio. All outstanding stock options of Augustine will either be exercised or cancelled prior to the effective time of the transaction. Augustine currently has 106,122,818 common shares issued and outstanding, as well as 64,218,883 common share purchase warrants (each of which is exercisable to acquire one common share of Augustine).

On November 16, 2016, the Company announced the commencement of a 6,000 metre drill program on the Wawa Gold Property targeting the northern extension of the Surluga Deposit. The program includes the testing of numerous gaps left by historic drilling.

On December 7, 2016, the Company announced the results of additional sampling of historic core at the Wawa Gold Property and the completion of two boreholes from the on-going fall 2016 drill program.

On December 20, 2016, the Company announced the results of additional sampling of historic core at the Wawa Gold Property and the completion of two additional boreholes from the on-going fall 2016 drill program.

Red Pine Exploration Inc.
MD&A for the Three-Month Period Ended October 31, 2016

RESULTS OF OPERATIONS FOR THE PERIOD ENDED OCTOBER 31, 2016

The following are explanations of the material changes for the three-month period ended October 31, 2016 compared to the three-month period ended October 31, 2015:

	Three-month Period ended	
	October 31,	October 31,
	2016	2015
Expenses		
Exploration Expenditures	703,647	409,896
Recovery of Exploration Expenditures	(489,566)	(4,200)
Payroll & Professional Fees	128,891	19,065
General and Administrative	83,356	49,054
Share-Based Compensation	-	98,910
Finance Expenses	-	13,333
Depreciation	3,273	2,398
Interest Income	(208)	-
Total Expenses	429,601	586,702
Loss and Comprehensive Loss for the Year	(429,601)	\$ (586,702)
Loss per share – basic and diluted	\$ (0.00)	\$ (0.01)
Weighted average shares outstanding	104,863,700	69,237,343

During the three-month period, the Company had a comprehensive loss of \$429,601 (2015: \$586,702).

The Company incurred exploration and evaluation expenditures of \$703,647 (2015: \$409,896) and recovered exploration expenditures of \$489,566 (2015: \$nil) from its joint-venture partners on the Wawa Gold property for their prorated share of exploration expenditures.

Payroll and professional fees increased compared to the previous year as a result of an increase in cash compensation paid to the management team and for an increase in legal fees. General and administrative costs increased compared to the previous year as a result of an increase in investor relation activities.

Red Pine Exploration Inc.
MD&A for the Three-Month Period Ended October 31, 2016

RESULTS OF OPERATIONS FOR THE QUARTER ENDED JULY 31, 2016

The following is selected quarterly information for the eight most recently completed quarters:

	Quarter Ended			
	October 31, 2016 \$	July 31, 2016 \$	April 30, 2016 \$	January 31, 2016 \$
Total Revenues	-	-	46,130	30,000
Exploration expenditures net of recovery	214,081	152,080	65,075	(157,053)
Payroll and professional fees	128,891	135,523	39,241	202,310
General and administrative	83,356	169,674	82,222	130,219
Share-based compensation	-	-	59,850	-
Finance Expense	-	30,168	0	0
Amortization	3,273	3,273	2,398	2,398
Interest Income	(208)	(47)	8	0
Provision	-	64,000	0	0
Loss and Comprehensive loss for the quarter	(429,601)	(554,672)	(248,794)	(177,874)
Basic and diluted loss per share	(0.00)	(0.01)	(0.01)	(0.01)
Total Assets	1,796,258	2,034,525	503,852	387,816
Total Liabilities	1,017,440	1,076,556	1,227,595	747,615
Total Shareholders' Equity (Deficiency)	778,817	957,969	(723,743)	(359,799)
Cash and cash equivalents	837,442	1,644,354	188,325	115,544
Current Assets	1,667,461	2,019,652	485,707	377,769
Current Liabilities	972,295	1,027,430	1,172,242	668,754
Working Capital Surplus (Deficit)	695,166	992,222	(686,535)	(290,985)

	Quarter Ended			
	October 31, 2015 \$	July 31, 2015 \$	April 30, 2015 \$	January 31, 2015 \$
Total Revenues	-	-	-	-
Exploration expenditures	409,896	183,373	1,236,752	513,273
Payroll and professional fees	19,065	(25,535)	53,520	3,583
General and administrative	49,054	63,234	72,914	81,447
Share-based compensation	98,910	(11,641)	232,820	-
Finance Expense	13,333	6,667	0	0
Amortization	2,398	2,398	2,398	1,892
Interest Income	(4,200)	5,348	(803)	(4,545)
Provision	0	-	-	-
Loss and Comprehensive loss for the quarter	(588,456)	(223,844)	(1,597,601)	(595,650)
Basic and diluted loss per share	(0.01)	(0.01)	(0.03)	(0.01)
Total Assets	406,785	289,110	351,400	1,173,994
Total Liabilities	663,102	730,349	440,497	387,140
Total Shareholders' Equity (Deficiency)	(287,817)	(441,239)	(177,927)	786,854
Cash and cash equivalents	149,506	115,229	95,899	913,028
Current Assets	394,340	274,267	334,160	1,158,855
Current Liabilities	619,315	682,582	463,822	343,470
Working Capital Surplus (Deficit)	(224,975)	(408,315)	129,662	815,385

Red Pine Exploration Inc.
MD&A for the Three-Month Period Ended October 31, 2016

MINERAL PROPERTIES

Revenues

During the three-month period ended October 31, 2016, the Company did not generate any revenues.

Exploration and Evaluation Expenditures

During the three-month period ended October 31, 2016:

- a) The Company incurred exploration and evaluation expenditures of \$700,160 on the Wawa Gold property (2015: \$409,896).
- b) The following represent the reimbursements from the Wawa Gold joint-venture partners for their prorated share of the exploration program, which includes exploration and evaluation expenditures, other joint expenditures and project management fees:
 - a. Citabar (40% ownership): \$279,633 (2015: \$163,958)
 - b. Augustine (30% ownership): \$209,725 (2015: \$122,968)
- c) The Company incurred exploration and evaluation expenditures of \$3,487 on other properties (2015: \$nil).

The following table summarizes the cumulative exploration and evaluation expenditures the Company has incurred on its mineral properties. The Wawa Gold property expenditures includes all amounts incurred by the joint-venture prior to any prorated allocation and reimbursement by the joint-venture partners.

	Wawa Gold Property \$	Cayenne Property \$	Other Mineral Properties \$	Total Exploration Properties \$
Balance – July 31, 2015	1,757,367	6,127,732	8,369,381	16,254,480
Claim Acquisition Costs	-	-	-	-
Exploration Expenditures	409,896	-	-	409,896
Balance – October 31, 2015	2,167,263	6,127,732	8,369,381	16,664,376
Claim Acquisition Costs	-	-	-	-
Exploration Expenditures	850,859	5,484	12,418	868,761
Balance – July 31, 2016	3,018,122	6,133,216	8,381,799	17,533,137
Claim Acquisition Costs	-	-	-	-
Exploration Expenditures	700,160	2,565	922	703,647
Balance – October 31, 2016	3,718,282	6,135,781	8,382,721	18,236,784

MINERAL PROPERTIES (CONTINUED)

The Company has ownership interests in the following exploration projects:

Wawa Gold Property

The Wawa Gold property consists of 34 unpatented mining claims and 205 patented and leased mining claims totaling 5,338 contiguous hectares located approximately 2 kilometers southeast of the Town of Wawa in Northern Ontario.

On December 11, 2014, the Company signed an assignment and assumption agreement with Augustine Ventures Inc. ("Augustine") and with Citabar Limited Partnership ("Citabar") pursuant to which the parties agreed to amend their Property Option Agreement dated April 16, 2009, to allow the Company to earn up to a 45% interest in the Wawa Gold JV under the following terms:

- a) The Company was required to incur \$2.1 million in eligible exploration expenditures by September 30, 2015 to earn an initial 30% interest.
- b) Upon earning the 30% interest, the Company became manager of the joint-venture.
- c) The Company and Augustine have the shared right to earn an additional 15% interest in the joint-venture, whereby the Company may earn its additional 7.5% interest by incurring \$2 million provided a total of \$4.0 million is incurred by June 30, 2016. The Company may earn a pro rata share of Augustine's additional 7.5% interest by assuming a portion of Augustine's expenditures.
- d) The Company also has the right to earn a pro rata interest in any of Augustine's existing mineral properties, including any future acquisitions, within an area of influence defined as a 2-kilometre radius from the perimeter of the Wawa Gold Project by satisfying certain additional criteria.

On August 7, 2015, the Company met the conditions to earn its initial 30% interest in the underlying joint venture (the "Wawa Gold JV"), which is currently owned 30% by Augustine and 40% by Citabar, whereby the Company became the operating manager of the JV. In the fall of 2015, all 34 unpatented mining claims were transferred to a 30/30/40 shared holding to reflect the satisfied earn in agreement.

As operating manager:

- a) The Company is entitled to receive project management fees from the JV partners.
- b) The Company shall be reimbursed periodically by the JV partners on a pro rata basis for all exploration expenditures incurred for the benefit of the joint-venture, which are recognized as a reduction to exploration expenditures when invoiced to the JV partners.

MINERAL PROPERTIES (CONTINUED)

Cayenne Property

As of July 31, 2016, the Cayenne property consisted of 17 claims and 1 lease covering a total of 3,135 hectares in the Marion and Genoa Townships located approximately 110 kilometers southwest of Timmins, Ontario. The Company owns 100% of the property. On October 13, 2016, 3 of the 17 claims were allowed to lapse on their due date and an additional 8 claims were allowed to lapse on November 14, 2016.

As of December 29, 2016, the property consists of 6 claims and 1 lease covering a total of 783 hectares.

Glencore Xstrata plc ("Glencore"), the previous owner of the property, holds a 1.5% net smelter return royalty ("NSR") after recovery of all exploration costs incurred on the property by the Company, as well as a onetime buy back right (the "Buy Back Right") to reacquire up to a 50% interest, on a portion of the property that was originally optioned from Falconbridge Limited in 2005 (the "Falconbridge Claims") plus a one-kilometer area of influence around the Falconbridge claims.

On December 1, 2013, the Company signed an exploration agreement with the Flying Post First Nation ("FPFN"). The agreement permits the Company to undertake exploration activities within the respective band's traditional and customary lands in return for the following:

- a) If the Company proceeds with a Preliminary Exploration Program Phase 1:
 - a. The Company will issue on a one-time basis 10,000 common shares and 20,000 common share purchase warrants within 15 days of, and subject to approval of the TSX Venture Exchange ("TSXV") exchange, the execution of this agreement (issued). Each share purchase warrant will entitle the holder to purchase one non flow through share of the Company at an exercise price of the greater of \$0.25 per share or the closing stock price on the day of approval by the TSXV exchange. The term of the share purchase warrants is five years from the date of issue.
 - b. The Company will also contribute a one-time lump sum payment of \$5,000 to the Community Fund of FPFN (paid).
- b) If the Company proceeds with a Preliminary Exploration Program Phase 2:
 - a. The Company will issue 10,000 common shares and 20,000 common share purchase warrants within 15 days. Each share purchase warrant will entitle the holder to purchase one common share of the Company at an exercise price of the greater of \$0.25 or the closing stock price of the day and will be exercisable for a period of five years from the date of issue.
 - b. The Company will contribute a one-time payment of \$5,000 to the Community Fund of FPFN.
- c) If the Company proceeds with Exploration Programs After Phase 1 and 2:
 - a. The Company will issue 50,000 common shares and 100,000 common share purchase warrants within 15 days. Each share purchase warrant will entitle the holder to purchase one common share of the Company at an exercise price of the greater of \$0.25 or the closing stock price of the day and will be exercisable for a period of five years from the date of issue.
 - b. The Company will contribute a one-time payment of \$5,000 to the Community Fund of FPFN.
 - c. The Company will pay 2% of all Assessment Eligible Exploration Program costs incurred specifically on the project area after this agreement takes effect, to a maximum of \$50,000 per agreement year. This amount is exclusive of the one-time payments of \$15,000 in aggregate and negotiation costs associated with transacting any future agreements entered into.
 - d. The FPFN shall appoint an elders' committee, which will be engaged for the purpose of consultation and advice. The Company will provide up to \$10,000 per year to the Elders Committee as an honorarium fee for travel.

MINERAL PROPERTIES (CONTINUED)

Kipawa Property

The Kipawa property consists of 100 claims totaling 5886 hectares in the Gendreau, Campeau and Reclus townships of Quebec located approximately 15 kilometers east of Temiscaming. Of these claims, 32 were staked by Red Pine in the Fall of 2014 and 68 were to be acquired (100%) through a Property Purchase Agreement (the "PPA") with Fiducie Ananke (the "Vendor") signed on October 22, 2014.

The PPA was subsequently amended on April 8, 2015 whereby the Company issued 1,600,000 common shares valued at \$240,000 and granted a 1% Net Smelter Return ("NSR") that can be fully repurchased by the Company for \$500,000. The vendor was entitled to receive the following additional common shares if the Company completed certain financings by October 31, 2015:

- a) 800,000 shares would be issued if \$1,500,000 (including a minimum of \$100,000 non-flow-through dollars) was raised by June 15, 2015.
- b) 400,000 shares would be issued if \$5,000,000 (including a minimum of \$300,000 non-flow-through dollars) was raised by October 31, 2015.

During the period, the Company completed a financing that did not satisfy the conditions for the issuance of these additional shares to the vendor. All 100 claims were allowed to lapse on their expiry dates between April and November 2016.

As of November 6, 2016, the Kipawa Property has been retired.

Algoma-Talisman Property

The Company has a 100% interest in a MRO patented land package covering approximately 65 square kilometers of fee simple patented mineral rights in Coppell and Newton Townships of the Porcupine Mining Division of Northern Ontario located approximately 110 km southwest of Timmins, Ontario.

Mortimer Property

The Company has a 100% interest in a block of 12 contiguous unpatented mining claims covering approximately 2.3 square kilometers in the Dore Township approximately 110 km southwest of Timmins, Ontario. The previous owners retain NSRs ranging between 0.2% and 2% on certain claims and the Company has the option to purchase a portion of these NSRs for various cash payments as specified in the original purchase agreements.

Mount Logano Property

As of July 31, 2016, the Company held a 100% interest in 4 unpatented mining claims covering 256 hectares located approximately 11 km east of the Dome mine in Timmins, Ontario. On October 22, 2016 1 claim was allowed to lapse on its due date. The claims are subject to a 3% NSR for gold and a 2% NSR for other minerals mined in the Mt. Logano Property. The Company has the right at any time to buy back 50% of the NSR (or 1.50% NSR for gold and 1.00% NSR for all other minerals) for the sum of \$3,000,000.

Moffatt Property

The Company has a 100% interest in a 4 unpatented mining claims covering 704 hectares located approximately 10 km northwest of Atikokan, Ontario.

Net Smelter Royalties

The Company retains a 1.5% Net Smelter Return ("NSR") on approximately 75 square kilometers of claims 20 km east of Goldcorp's Borden Gold project near Chapleau, Ontario. The underlying property package was sold to Probe Mines Ltd. in November 2012.

The Company retains a 2% NSR on a property consisting of 43 claims in the Wawa area of Ontario owned by Richmond Mines Inc., which has the right to repurchase the NSR for \$1,500,000.

RELATED PARTY TRANSACTIONS AND BALANCES

Related parties as defined by IAS 24 *Related Party Disclosures* include the members of the Board of Directors, key management personnel and any companies controlled by these individuals. Key management personnel include those persons having authority and responsibility for planning, directing and controlling activities of the Company as a whole. Key management personnel for the Company consists of the CEO, CFO and VP Exploration.

The following transactions occurred with related parties from July 31, 2016 to October 31, 2016:

- a) Key management personnel received cash compensation of \$70,088 (2015: \$25,295), which has been recorded as exploration expenditures on the Statement of Loss and Comprehensive Loss, and were reimbursed travel and other expenditures of \$12,977 (2015: \$nil), which has been recorded as exploration expenditures on the Statement of Loss and Comprehensive Loss.
- b) A corporation controlled by the CFO received cash compensation and accounting service fees of \$12,000 (2015: \$nil), which has been recorded as payroll and professional fees on the Statement of Loss and Comprehensive Loss.
- c) Directors and current key management personnel received nil stock options valued at \$nil (2015: Directors and key management personnel received 900,000 stock options valued at \$42,390).
- d) A corporation under common management control contracted exploration services from the Company and was invoiced a total of \$nil (2015: \$126,045).
- e) The Company incurred expenses for corporations under common management control for a total of \$55,654 (2015: \$nil).

As of October 31, 2016, the outstanding related party balances were:

- a) Corporations under common management control owed \$66,975 (2015: \$nil) to the Company for the reimbursement of shared expenditures, which is included in amounts receivable.
- b) The Company is the manager of and owns a 30% interest in a joint-venture partnership (see Note 5). The joint-venture partners owed the following net balances
 - a. Citabar: \$236,615 (2015: \$nil)
 - b. Augustine: \$401,087 (2015: \$195,021)

OFF BALANCE SHEET TRANSACTIONS

The Company does not have off-balance sheet arrangements including any arrangements that would affect the liquidity, capital resources, market risk support and credit risk support or other benefits.

DIVIDENDS

The Company has neither declared nor paid any dividends on its Common Shares. The Company intends to retain its earnings, if any, to finance growth and expand its operations and does not anticipate paying any dividends on its common shares in the foreseeable future.

Red Pine Exploration Inc.
MD&A for the Three-Month Period Ended October 31, 2016

SHARE CAPITAL

The authorized share capital consists of an unlimited number of common shares. The common shares have no par value.

As at October 31, 2016 the Company had 105,434,318 issued and outstanding common shares (July 31, 2016: 102,809,943). All issued and outstanding common shares are fully paid.

a) Common Shares Issued for Warrants

On August 15, 2016, the Company issued 2,250,000 common shares upon the exercise of 2,250,000 common share purchase warrants at an exercise price of \$0.10.

On September 7, 2016, the Company issued 165,000 common shares upon the exercise of 165,000 common share purchase warrants at an exercise price of \$0.05.

On October 28, 2016, the Company issued 109,375 common shares upon the exercise of 109,375 common share purchase warrants at an exercise price of \$0.105.

b) Common Shares Issued for Stock Options

On September 15, 2016, the Company issued 100,000 common shares upon the exercise of 100,000 stock options at an exercise price of \$0.055.

Red Pine Exploration Inc.
MD&A for the Three-Month Period Ended October 31, 2016

STOCK OPTIONS

The Company has a stock option plan (the "Plan") under which the Board of Directors of the Company may grant stock options to eligible participants including directors and officers of the Company.

The exercise price of the options cannot be less than the closing price of the Company's shares on the trading day preceding the date of grant and the maximum term of any option cannot exceed five years. The maximum aggregate number of common shares under option at any time under the Plan cannot exceed 10% of the issued shares. There is no minimum vesting period. The fair value of share-based compensation is recognized as contributed surplus upon issuance.

All outstanding stock options vested immediately upon being granted.

The following is a continuity schedule of the stock options series outstanding from July 31, 2016 to October 31, 2016:

Expiry Date	Exercise Price	Outstanding and Exercisable July 31, 2016	Granted	Exercised	Expired or Cancelled	Outstanding and Exercisable July 31, 2016
July 10, 2018	\$ 0.500	370,000	-	-	(90,000)	280,000
December 18, 2018	\$ 0.500	1,103,000	-	-	(120,000)	983,000
February 25, 2020	\$ 0.500	1,663,000	-	-	-	1,663,000
August 27, 2020	\$ 0.055	2,100,000	-	(100,000)	-	2,000,000
April 5, 2021	\$0.080	750,000	-	-	-	750,000
Total	\$0.29	5,986,000	-	(100,000)	(210,000)	5,676,000

Red Pine Exploration Inc.
MD&A for the Three-Month Period Ended October 31, 2016

WARRANTS

The Company has issued warrants as part of equity financings and property acquisitions. The fair value of warrants is recognized upon issuance as an equity reserve until expiration, cancellation or exercise.

The following is a continuity schedule for the warrants outstanding from July 31, 2016 to October 31, 2016:

Expiry Date	Exercise Price	Outstanding July 31, 2016	Issued	Exercised	Expired or Cancelled	Outstanding October 31, 2016	Ending Fair Value
May 1, 2017	\$ 0.275	635,628	-	-	-	635,628	\$ 109,964
May 1, 2017	\$ 0.500	7,017,900	-	-	-	7,017,900	\$ 825,700
December 18, 2017	\$ 0.250	6,400,000	-	-	-	6,400,000	\$ 692,892
December 18, 2017	\$ 0.250	640,000	-	-	-	640,000	\$ 76,988
June 3, 2018	\$ 0.080	1,777,132	-	-	-	1,777,132	\$134,351
June 24, 2018	\$ 0.105	560,000	-	(109,375)	-	450,625	\$ 44,882
July 30, 2018	\$ 0.050	155,965	-	-	-	155,965	\$ 6,519
July 30, 2018	\$ 0.100	1,499,708	-	-	-	1,499,708	\$ 38,700
August 13, 2018	\$ 0.050	270,982	-	-	-	270,982	\$ 13,441
August 13, 2018	\$ 0.100	2,208,186	-	-	-	2,208,186	\$ 64,343
August 20, 2018	\$ 0.050	330,000	-	(165,000)	-	165,000	\$ 8,184
August 20, 2018	\$ 0.100	2,750,000	-	-	-	2,750,000	\$ 73,500
August 28, 201	\$ 0.050	135,000	-	-	-	135,000	\$ 7,290
August 28, 2018	\$ 0.100	2,450,000	-	(2,250,000)	-	200,000	\$ 5,298
February 17, 2019	\$ 0.250	20,000	-	-	-	20,000	\$ 6,090
June 3, 2019	\$ 0.100	6,593,800	-	-	-	6,593,800	\$ 202,700
June 24, 2019	\$ 0.105	4,000,000	-	-	-	4,000,000	\$ 175,300
Total	\$0.20	37,444,301	-	(2,524,375)	-	34,919,926	\$ 2,486,142

LIQUIDITY AND CAPITAL MANAGEMENT

	October 31, 2016	July 31, 2016
Assets		
Current Assets:		
Cash and Cash Equivalents	\$ 837, 442	\$ 1,644,354
Marketable Securities	2,500	2,500
Amounts Receivable	143,832	108,927
Amounts Receivable from Joint Venture Partners	637,702	230,073
Prepaid Expenses	45,986	33,798
Total Current Assets	1,667,461	2,019,652
Current Liabilities:		
Accounts Payable and Accrued Liabilities	\$ 297,773	\$ 352,908
Deferred Flow-Through Premium	394,600	394,600
Flow-Through Provision	264,000	264,000
Lease Inducements	15,922	15,922
Total Current Liabilities	972,295	1,027,430
Working Capital	\$ 695,166	\$ 992,222

As of October 31, 2016, the Company had a working capital surplus of \$695,166 (July 31, 2016: surplus of \$992,222).

There were no changes in the Company's approach to capital management during the period ended October 31, 2016.

In managing liquidity, the Company's primary objective is to ensure the entity can continue as a going concern while raising additional funding to meet its obligations as they come due. The Company's operations to date have been funded by issuing equity. The Company expects to improve the working capital position by securing additional financing.

The Company's investment policy is to invest excess cash in very low risk financial instruments such as term deposits or by holding funds in high yield savings accounts with major Canadian banks. Financial instruments are exposed to certain financial risks, which may include currency risk, credit risk, liquidity risk and interest rate risk.

The Company's mineral property interests are all in the exploration stage, as such the Company is dependent on external financing to fund its exploration activities and administrative costs. Management continues to assess the merits of mineral properties on an ongoing basis and may seek to acquire new properties or to increase ownership interests if it believes there is sufficient geologic and economic potential.

Management mitigates the risk and uncertainty associated with raising additional capital in current economic conditions through cost control measures that minimizes discretionary disbursements and reduces exploration expenditures that are deemed of limited strategic value.

The Company manages the capital structure (consisting of shareholders' deficiency) on an ongoing basis and makes adjustments in response to changes in economic conditions and risks characteristics of its underlying assets. Adjustments to the Company capital structure may involve the issue of new shares, issue of new debt, acquisition or disposition of assets, or adjustments to the amounts held in cash, cash equivalents and short-term investments.

The Company is not subject to any externally imposed capital requirements other than flow-through spending.

FINANCIAL INSTRUMENT RISK FACTORS

The following disclosures are to enable users of the financial statements to evaluate the nature and extent of risks arising from financial instruments at the end of the reporting year:

a) Credit risk

The Company's credit risk is the risk of counterparty default on cash and cash equivalents held on deposit with financial institutions. The Company manages this risk by ensuring that deposits are only held with large Canadian banks and financial institutions. The Company's accounts receivable are sales tax receivables with negligible counterparty default risk.

The amounts due from joint venture partners are subject to counterparty default risk.

b) Liquidity risk

The Company's liquidity risk is the risk that Company has insufficient funds to settle its contractual financial liabilities. The Company manages this risk by ensuring sufficient funds are available as contractual cash flows become due.

As at October 31, 2016, the Company had a cash and cash equivalents balance of \$833,442 (July 31, 2016: \$1,644,354) to settle current liabilities of \$972,295 (July 31, 2016: \$1,027,430). As a result, the Company is currently exposed to liquidity risk.

While the Company has been successful in obtaining required funding in the past, there is no assurance that future financings will be available.

c) Market risks

The Company's market risk arises from changes in interest rates and commodity prices that could have an impact on profit and loss. This includes:

- Interest rate risk, is the sensitivity of the fair value or of the future cash flows of a financial instrument to changes in interest rates. The Company does not have any financial assets or liabilities that were subject to variable interest rates.
- Commodity price risks, particularly with respect to gold, is the sensitivity of the fair value of, or of the future cash flows, from mineral assets. The Company manages this risk by continually monitoring base and precious metal prices and commodity price trends to determine the appropriate timing for funding the exploration or development of its mineral assets, or for the acquisition or disposition of mineral assets. The Company does not have any mineral assets at the development or production stage carried at historical cost. The Company has expensed the acquisition and exploration costs of its exploration stage mineral assets.
- Marketable securities risk, is the sensitivity of the fair value of marketable securities to supply and demand for particular marketable securities. The Company manages this risk by continually monitoring the market pricing and trends of its portfolio of securities to determine the appropriate timing to complete any acquisitions or dispositions. The Company has determined the marketable securities risk at year-end is minimal.
- Currency risk, is the sensitivity of the fair value or of the future cash flows of financial instruments to changes in foreign exchange rates. The Company does not have any financial assets or liabilities that were subject to variable foreign exchange rates and as such the Company is not subject to currency risk.

RISKS AND UNCERTAINTIES

The operations of the Company are speculative due to the high-risk nature of its business, which is the acquisition, financing, exploration and development of mining properties. Additional risks not currently known to the Company, or that the Company currently deems immaterial, may also impair the Company's operations. If any of the following risks actually occur, the Company's business, financial condition and operating results could be adversely affected.

Management

The success of the operations and activities of the Company is dependent to a significant extent on the efforts and abilities of its management, outside contractors, experts and other advisors. Investors must be willing to rely to a significant degree on management's discretion and judgement, as well as the expertise and competence of the outside contractors, experts and other advisors. The Company does not have a formal program in place for succession of management and training of management. The loss of one or more of the key employees or contractors, if not replaced on a timely basis, could adversely affect the Company operations and financial performance.

Credit risk

The Company deposits cash with financial institutions it believes to be creditworthy. In some circumstances, cash balances at these financial institutions may exceed the federally guaranteed amount. The Company's current credit risk is primarily attributable to cash and accounts recoverable. Cash is held with a reputable, Tier A Canadian chartered bank and as such, management believes the risk of loss to be minimal. Accounts receivable is due from the federal government of Canada. Management believes that the credit risk with respect to financial instruments included in HST recoverable is minimal and remote.

Liquidity risk

The Company's ability to remain liquid over the long term depends on its ability to obtain financing necessary to complete exploration and development of its mineral properties and their future profitable production or, alternatively, upon the Corporation's ability to dispose of its interest on an advantageous basis.

Currency risk

The Company has no foreign currency denominated assets or liabilities. Major purchases are transacted in Canadian dollars and therefore the Company has no material foreign currency exposure.

Interest rate risk

The Company's cash balance is subject to changes in interest rates. Interest rate risk is minimal.

Equity price risk

Market risk arises from the possibility that changes in market prices will affect the value of financial instruments of the Company. Except for marketable securities, the Company's other financial instruments (cash, accounts receivable, accounts payable and accrued liabilities and due to related party) are not subject to price risk.

Commodity price risk

The Company is exposed to price risk with respect to gold and other commodity prices, such prices impacting the future economic feasibility of its exploration properties. The Company closely monitors gold and other commodity prices to determine the appropriate course of action to be taken by the Company.

Additional capital

The exploration activities of the Company may require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration and development of any of the Company's properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financings will be favourable to the Company. In addition, low commodity prices may affect the Company's ability to obtain financing.

RISKS AND UNCERTAINTIES (CONTINUED)

Environmental and permitting

The Company's current or future operations, including development activities, are subject to environmental regulations, which may make operations not economically viable or prohibit them altogether. All aspects of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations, among other things, mandate the maintenance of air and water quality standards, land reclamation, transportation, storage and disposal of hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Acquisition

The Company uses its best judgment to acquire mining properties for exploration and development. In pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions and development, or integrate such opportunity and their personnel with the Company. The Company cannot assure that it can complete any acquisition that it pursues or is currently pursuing, on favourable terms, or that any acquisition completed will ultimately benefit the Company.

Competition

The mining industry is intensely competitive in all its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than the Company. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospectus for mineral exploration in the future.

Political risk

All the Company's mineral properties are located in Canada. Accordingly, the Company is subject to risks normally associated with exploration for and development of mineral properties in Canada, which the Company believes to be low.

Business risk

There are numerous business risks involved in the mineral exploration industry. The Company may not own 100% of a mineral concession or joint venture. Similarly, any non-compliance with or non-satisfaction of the terms of the Option by the Company could affect its ability to exercise the Option and earn its interest in the mining concessions and assets relating to properties.

Surface Rights

Mining concessions may not include surface rights and there can be no assurance that the Company will be successful in negotiating long term surface rights access agreements in respect of the properties. Failure to obtain surface rights could have an adverse impact on the Company's future operations.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

(a) Statement of compliance

These condensed interim financial statements have been prepared in accordance and comply with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”) using accounting principles consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the IFRS Interpretations Committee (“IFRIC”). The accounting policies adopted are consistent with those of the previous financial year and the corresponding interim reporting period. Furthermore, the information on accounting standards effective in future periods and not yet adopted remains unchanged from that disclosed in the annual financial statements.

The financial statements were approved by the Board of Directors on December 30, 2016.

(b) Basis of presentation

These condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the financial statements for the year ended July 31, 2016. These condensed interim financial statements have been prepared on a historical cost basis except for certain financial instruments that have been measured at fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(c) Significant accounting judgements and estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period.

Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and also in future periods when the revision affects both current and future periods. Significant accounting judgments, estimates and underlying assumptions are reviewed on an ongoing basis.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could have an effect on the amounts recognized in the financial statements relate to the following:

Going concern

The preparation of the financial statements requires management to make judgments regarding the going concern of the Company as previously discussed in Note 1.

Share-based compensation

Estimating fair value for granted stock options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, and rate of forfeitures and making assumptions about them. The value of the share based payment expense for the year along with the assumptions and model used for estimating fair value for share-based compensation transactions are disclosed in Note 11

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company has established procedures and internal control systems to ensure the timely and accurate preparation of financial, management and other reports. The Chief Executive Officer and Chief Financial Officer certify financial reports. Disclosure controls are in place to ensure all reporting meets statutory reporting requirements. The Company's management is responsible for establishing and maintaining adequate internal controls. These controls have been designed to provide reasonable, but not absolute, assurance with respect to the Company's financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Internal controls, however well-conceived, will provide only reasonable and not absolute assurance that the objectives of the internal controls over financial reporting will be met. It should not be expected that the disclosure and internal controls and procedures would prevent all errors or fraud.

Due to the small size of the Company's finance department, there are a limited number of personnel handling accounting and financial matters and as a result, there is a lack of segregation of duties. Management believes that it has designed sufficient compensating internal controls to mitigate these limitations, including dual signatories on all cheques. Additional internal controls include audit committee and senior management review and oversight.

The Company's certifying officers, the Chief Executive Officer and the Chief Financial Officer, have reviewed the effectiveness of the design and operation of the Company's disclosure controls and procedures as a whole. Based on their review, including a review of the compensating controls relating to the lack of segregation of duties noted above, they have concluded that the Company's internal controls and procedures, as defined in National Instrument 52-109, Certification of Disclosure in Issuer's Annual and Filings of the Canadian Securities Regulators, were effective overall.

DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures are designed to provide reasonable, but not absolute, assurance that all material information is obtained, analyzed and reported to senior management on a timely basis in order for management to make reasonable decisions regarding public disclosure.

The Company's certifying officers, the Chief Executive Officer and the Chief Financial Officer, have reviewed the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on their review, they have concluded that the Company's disclosure controls and procedures, as defined in National Instrument 52-109, Certification of Disclosure in Issuer's Annual and Filings of the Canadian Securities Regulators, were effective and provide reasonable assurance that information required to be disclosed in interim, annual and special filings are submitted under Canadian securities laws and are recorded, processed, summarized and reported in a timely fashion.

OTHER INFORMATION

Additional information relating to the Company is also available on the SEDAR at www.sedar.com.