



**MANAGEMENT'S DISCUSSION & ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

**Form 51-102F1**

For the three and nine months ended September 30, 2015

(Stated in Canadian Dollars)

(Unaudited)



MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL  
CONDITION AND RESULTS OF OPERATIONS  
For the three and nine months ended September 30, 2015

Date of Report: November 16, 2015

## General

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The following Management's Discussion and Analysis ("MD&A") of Wolfden Resources Corporation (the "Corporation" or "Wolfden") should be read in conjunction with the unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2015 with a comparative period for the year ended December 31, 2014, and the notes thereto. The Corporation's unaudited condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Unless otherwise stated, all amounts discussed herein are denominated in Canadian dollars. This MD&A was prepared as of November 16, 2015, and all information is current as of such date. Readers are encouraged to read the Corporation's public information filings on SEDAR at [www.sedar.com](http://www.sedar.com).

This discussion provides management's analysis of Wolfden's historical financial and operating results and provides estimates of Wolfden's future financial and operating performance based on information currently available. Actual results will vary from estimates and the variances may be significant. Readers should be aware that historical results are not necessarily indicative of future performance.

Certain information set forth in this MD&A, including management's assessment of the Corporation's future plans and operations, contains forward-looking statements. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond the Corporation's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility and ability to access sufficient capital from internal and external sources. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be inaccurate and, as such, reliance should not be placed on forward-looking statements. Wolfden's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits, if any, that Wolfden will derive there from. Wolfden disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as required by applicable law.

## Corporate Overview

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Wolfden Resources Corporation (the "Corporation" or "Wolfden") was incorporated under the laws of the Province of Ontario on August 12, 2009. On April 23, 2010, the Corporation acquired all of the outstanding and issued shares in the capital of MPC Sub Corporation ("MPC Subco") from Mineral Processing Corporation ("MPC"). On October 28, 2015 the Corporation received certification of the dissolution of MPC Subco from the Michigan Department of Licensing and Regulatory Affairs.

On October 18, 2012 the Corporation completed its initial public offering and received approval from the TSX Venture Exchange to list its common shares on the TSX-V as a Tier 1 Mining Issuer, and began trading under the symbol WLF.



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## Operational Highlights Q3 2015

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WolfDen Resources Corporation is engaged in the exploration and development of mineral properties in North America. Highlights from the third quarter are:

- The Corporation acquired, by claim staking, the Rice Island nickel-copper deposit, Manitoba. The deposit lies within 704 hectares staked, 10 kilometres south-southeast of the Town of Snow Lake. The region hosts the well-established mining communities of Snow Lake, Flin Flon and Thompson. Proximity to such mining infrastructure allows the Company to explore on the Property year-round and at reasonable cost.
- During September, WolfDen conducted a property-wide airborne geophysical survey utilizing the VTEM system. The intent was to map out the extent and configuration of the gabbro hosting the nickel-copper mineralization and the mineralization itself, in efforts to enlarge the known mineral deposit and to delineate additional targets elsewhere on the property. The survey was successful in delineating 3 previously unknown regional targets with geophysical signatures similar or stronger than the existing Rice Island deposit.
- The Rice Island nickel-copper deposit was explored by drill programs completed by Inco Ltd in 1949-1950 and 1967. As the pierce points were derived from very small diameter drill core (AX) and therefore only approximations, the Corporation commenced drilling into the deposit in late September to property orientate the deposit.
- An initial 3,000 metre, 11 hole, drill program was concluded in late October 2015 and the assay results from the first 7 holes were published on October 26th, 2015. The results confirmed high grade mineralization over considerable widths. For example, 1.50% Ni & 0.57% Cu across 36.2m and 3.97% Ni & 0.95% Cu across 4.6m.
- Of particular interest was the 3.97% Ni & 0.95% Cu across 4.6m found 50 metres below the Main zone in the footwall in Hole RI-15-05. The presence of this lower zone raises the possibility of multiple stacked lenses of mineralization.
- Phase 2 drilling comprising a 3,000 metre program is underway with a completion date of mid-December. The purpose of this drilling is to expand the known resource and further investigate the regional targets.
- In New Brunswick, a limited drill program in the third quarter failed to find the bedrock source for numerous high-grade massive sulphide boulder clusters on and to the east of the Tetagouche property. Additional soil sampling on a new target was undertaken late in the quarter and recently received soil assays suggest a promising target. Additional geophysics was completed and drilling is planned in the coming weeks.
- The Corporation is well funded and prepared to conduct an intensive exploration program in the fourth quarter of 2015 with a fully budgeted \$0.8mm program through to year end.



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## Results of Operations

The following table provides selected financial information and should be read in conjunction with the Corporation's audited consolidated financial statements for the periods below.

	Year ended December 31, 2014 \$	Year ended December 31, 2013 \$	Year ended December 31, 2012 \$
Operations			
Total revenue	33,057	54,122	13,708
Comprehensive loss for the year	(2,498,987)	(2,980,196)	(6,853,512)
Basic and diluted loss per share	(0.05)	(0.06)	(0.22)
Balance Sheet			
Working capital	3,518,533	2,802,047	5,399,069
Total assets	4,116,944	3,066,865	5,791,530
Total liabilities	(540,553)	(183,752)	(300,096)

## Summary of Quarterly Results

The following table sets out selected quarterly financial data for the most recently completed interim quarters:

Quarter	2015 Third	2015 Second	2015 First	2014 Fourth	2014 Third	2014 Second	2014 First	2013 Fourth
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Revenue	7,462	9,809	10,699	6,757	8,541	10,073	7,686	10,574
Operating expenses	713,274	520,345	457,618	786,707	789,548	391,738	567,762	1,136,854
Loss from operating activities	(705,812)	(510,536)	(446,919)	(779,950)	(781,007)	(381,665)	(560,076)	(1,126,280)
Comprehensive loss	(602,487)	(450,695)	(404,328)	(776,395)	(780,898)	(381,757)	(559,937)	(801,948)
Basic and diluted net loss per share	0.00	(0.01)	(0.01)	(0.02)	(0.01)	(0.01)	(0.01)	(0.02)

## Overall Performance

The comprehensive loss for the three months ended September 30, 2015 was \$602,487, which was \$178,411 lower when compared to the comprehensive loss of \$780,898 in the same period of the previous year. During the third quarter, excluding deferred tax recovery, flow-through interest penalty and share-based payments, the balance of the expenditure categories are relatively similar to the same period of the previous year. The majority of current period spending was related to the Rice Island property and Nickel Island property, whereas in the same period of prior year the focus was on other properties, some of which we no longer hold. Exploration expenses of \$565,674 were incurred in the current period as compared to \$498,296 in the same period of the previous year. Share-based payments of \$Nil were incurred as compared to \$134,790 in the same period of the previous year. General and administrative



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expenses costs decreased from \$142,400 to \$135,378, flow through interest penalty of \$3,195 was incurred in the current period compared with \$Nil in the same period of the previous year as a result of the Corporation having fulfilled the flow-through obligation in the prior year. Professional fees decreased from \$8,362 to \$3,719 and depreciation decreased from \$5,745 to \$5,385. An exchange gain of \$77 was realized in the current period compared with an exchange gain of \$45 in the same period of the previous year. All of these noted fluctuations are a result of regular operating activities and the focus of the Corporation in the current quarter.

Deferred tax recovery of \$103,141 was incurred during the current period compared with \$Nil in the same period of the previous year, this difference is the result of the reduction in the deferred flow-through premium liability in the current year, whereas there was no deferred flow-through premium liability in the same period of the previous year. An amount of \$184 was incurred in exchange differences on translation of foreign operations during the three months ended September 30, 2015 versus \$109 in same period of the previous year. The exchange differences on translation of foreign operations is due to the foreign exchange rate fluctuation.

The major components of general and administrative costs for the three months ended September 30, 2015 include corporate accounting fees not charged to exploration of \$29,400, investor relations of \$5,975, rent, common, and co-op expense of \$18,904, executive salaries and wages not charged to exploration of \$52,141, shareholder communications of \$2,754, travel expense of \$1,749, and business and director's insurance expense of \$3,710 and \$2,722, respectively.

On a go forward basis the Corporation believes there will be increased expenditures as the Corporation continues its work on the current property portfolio, as well as exploring other potential opportunities as they arise.

The Corporation recorded \$7,462 in investment income during the three months ended September 30, 2015 compared to \$8,541 in the same period of the previous year, this is due to investment balances on hand through the period and fluctuating return rates.

### Exploration and evaluation expenditures

The Corporation incurred exploration and evaluation expenditures of \$565,674 during the three months ended September 30, 2015, the breakdown of exploration and evaluation for the year to date is as follows:

	Rice Island	Nickel Island	Teta- gouche	Clarence Stream	Other	Total for current period	2014	Total inception to date
Analytical / Sampling	609	-	4,655	-	2,300	<b>7,564</b>	14,164	<b>463,785</b>
Geological	8,940	13,296	95,278	-	79,721	<b>197,235</b>	173,866	<b>895,321</b>
Geophysical	84,091	152,872	5,110	-	-	<b>242,073</b>	287,094	<b>771,381</b>
Geochemical	-	-	9,724	615	-	<b>10,339</b>	23,094	<b>161,374</b>
Transportation/ Accommodation	11,904	4,688	32,911	-	6,426	<b>55,929</b>	80,701	<b>212,289</b>
Exploratory Drilling	107,553	-	144,033	-	96,727	<b>348,313</b>	441,763	<b>2,032,066</b>
Property Work Operations	120	-	7,336	-	4,400	<b>11,856</b>	84,340	<b>415,388</b>
Support Administration	8,268	3,980	75,648	12,795	4,549	<b>105,240</b>	109,345	<b>206,334</b>
	15,931	4,344	121,418	143	-	<b>141,836</b>	161,677	<b>367,121</b>
<b>Total Exploration</b>	<b>237,416</b>	<b>179,180</b>	<b>496,113</b>	<b>13,553</b>	<b>194,123</b>	<b>1,120,385</b>	1,376,044	<b>5,510,608</b>
Acquisition / Development Costs	-	11,561	(4,650)	15,000	9,240	<b>31,151</b>	273,154	<b>9,492,970</b>
<b>Total</b>	<b>237,416</b>	<b>190,741</b>	<b>491,463</b>	<b>28,553</b>	<b>203,363</b>	<b>1,151,536</b>	1,649,198	<b>15,003,578</b>



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## **Mineral property acquisitions and agreements**

### ***Manitoba***

#### *Rice Island property*

On September 15, 2015, the Corporation acquired a 100% interest in the Rice Island nickel-copper deposit situated on the Rice Island property (the "Property") through claim staking. The Property consisting of 704 hectares, is located 10 kilometres south-southeast of the Town of Snow Lake in west-central Manitoba.

#### *Nickel Island property*

On May 21, 2015, the Corporation acquired a 100% interest in a nickel-copper property by claim staking (the "Property"). The Property comprises 600 hectares and is located in east-central Manitoba.

### ***New Brunswick***

#### *Tetagouche Property*

On January 6, 2014 the Corporation closed a definitive purchase agreement (the "Agreement") to acquire a large strategic land package situated in the Bathurst Mining Camp and surrounding area in north-eastern New Brunswick. Collectively, the property acquisition comprises land holdings totaling more than 20,000 hectares (the "Property").

WolfDen acquired the Property from 8100896 Canada Inc., a wholly-owned subsidiary of GeoVenCap Inc. (the "Vendor"). Pursuant to the terms of the Agreement, the Corporation purchased all of the Vendor's right, title and interest to and in the Property for cash consideration of \$125,000 and 571,428 common shares of Corporation (the "Consideration Shares") having a value of \$100,000. The Consideration Shares were subject to a four-month hold period under applicable securities laws in Canada.

#### *Clarence Stream Agreements*

(i) On March 7, 2012 the Corporation executed an agreement, which was amended March 29, 2012, and further amended September 6, 2012, to purchase a 30% interest in the Clarence Stream property located in New Brunswick from Rockport Mining Corp. ("RMC"). On the Closing Date, October 18, 2012, RMC sold, assigned and transferred to the Corporation the Subject Interest and the Exploration Data, and the Corporation purchased the Subject Interest and Exploration Data from RMC, for the following consideration:

- (a) A non-refundable deposit of \$75,000 paid on signing of the agreement;
- (b) the sum of \$1,000,000, paid by the Corporation to RMC (or its designated Affiliate); and
- (c) the allotment and issuance by the Corporation to RMC (or its designated Affiliate, subject to compliance with Applicable Securities Laws), of that number of IPO Securities having a deemed aggregate value equal to \$560,000 (the "Transaction Units") at a price per Transaction Unit equal to the IPO price of the IPO Securities.

(ii) On January 13, 2012 the Corporation executed an agreement to purchase a 70% interest in the Clarence Stream property located in New Brunswick from Cliffs Chromite Ontario Inc. ("Cliffs"). On the Effective Date, October 18, 2012, Cliffs sold, assigned and transferred to the Corporation the Subject Interest and the Exploration Data, and the Corporation purchased the Subject Interest and Exploration Data from Cliffs, for the following consideration:

- (a) the sum of \$10, paid by the Corporation to Cliffs on the Effective Date;
- (b) the sum of \$2,000,000, paid by the Corporation to Cliffs (or its designated Affiliate);



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- (c) the allotment and issuance by the Corporation to Cliffs (or its designated Affiliate, subject to compliance with Applicable Securities Laws), of that number of Shares having a deemed aggregate value equal to \$1,600,000 (the "Transaction Shares") at a price per Share equal to the IPO price of the Shares;
- (d) the grant by, and agreement of, the Corporation to pay on behalf of itself and its successors and assigns, and the reservation by Cliffs on behalf of itself and its successors and assigns of, a 1% net smelter returns royalty on the Property (the "Net Smelter Returns Royalty") in perpetuity for each year with respect to all Minerals, all as more formally provided in the Royalty Agreement; and
- (e) the assumption of certain liabilities by the Corporation.

There is a 2% and 1 % Net Smelter Royalty ("NSR") on the property, and the Corporation is required to make \$15,000 advance royalty payments annually which are deductible against the 2% NSR.

#### *Brunswick No. 6 West Property acquisition*

On April 29, 2015 the Corporation acquired, by claim staking, the Brunswick No. 6 West property (the "Property"). The wholly-owned Property comprising 154 mineral claims totaling 3,367 hectares adjoins the formerly producing Brunswick No. 6 mine and is located proximal to infrastructure, 20 kilometers southwest of the City of Bathurst, in the heart of the Bathurst Mining Camp.

#### *Murray Brook property*

On March 2, 2015 the Corporation signed a letter of intent with Votorantim Metals Canada Inc. ("Votorantim") to acquire its effective 65% interest in the Murray Brook property located in the Bathurst Mining Camp in northern New Brunswick (the "Property"). The original letter of intent had the end date for exclusivity as April 9, 2015, and this was further extended to April 30, 2015.

Wolfden would acquire Votorantim's 35% interest in the Property plus the partially executed option on a further 30% of the Property in consideration of paying approximately 4.5 million to Votorantim between closing and commencement of commercial production.

Additionally, Wolfden would assume and fund Votorantim's liability for the \$2 million environmental bond letter of credit with the New Brunswick government and assume the \$1 million, December 2015 option payment obligation to the private company, Murray Brook Minerals and Murray Brook Resources ("MBM/MBR"). Votorantim would retain title to the project as security until the assumption of the environmental liability has been completed and Votorantim's liability is released by the Government of New Brunswick.

On May 21, 2015, the Corporation terminated the Murray Brook acquisition process.

## **Liquidity and Capital Resources**

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The Corporation's cash and cash equivalents balance was \$473,238 at September 30, 2015 compared to \$699,767 at December 31, 2014. Current assets at September 30, 2015 were \$2,471,668 compared to \$4,059,086 at December 31, 2014 and total assets at September 30, 2015 were \$2,513,125 compared to \$4,116,944 at December 31, 2014.

#### *Operating Activities*

For the nine months ended September 30, 2015, the Corporation used \$1,552,841 in cash related to operating activities. The most significant non-cash charges to earnings include deferred tax recovery of \$205,387 and depreciation of \$16,401. For the nine months ended September 30, 2015 the majority of the cash used in operating activities can be attributed to funding of day to day operations and furthering our exploration projects.



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*Investment Activities*

For the nine months ended September 30, 2015, the Corporation redeemed, on a net basis, \$1,325,942 in cash related to investment activities. During the same period of the previous year the Corporation used cash of \$228,595 on its investment activities. The Corporation does not believe it is exposed to any material liquidity risks in relation to its investment activities.

*Financing Activities*

The Corporation had no financing activity for the nine months ended September 30, 2015. During the same period of previous year, the Corporation received cash of \$1,168,145 from financing activities, which was the net proceeds of a private placement.

**Outstanding share data**

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**Common Shares**

The Corporation's authorized share capital consists of an unlimited number of common shares without par value. As at November 16, 2015, there were 67,051,589 common shares issued and outstanding.

**Warrants**

The following table reflects the share purchase warrants outstanding as at November 16, 2015:

<b>Expiry Date</b>	<b>Exercise Price</b> \$	<b>Warrants Outstanding</b> #
April 10, 2016	0.27	3,125,000
December 18, 2016	0.30	5,109,500
		<b>8,234,500</b>

**Stock Options**

The following table reflects stock options outstanding and that have vested as at November 16, 2015:

<b>Expiry Date</b>	<b>Exercise Price</b> \$	<b>Options Granted</b> #	<b>Options Vested</b> #
March 09, 2022	0.75	1,510,000	1,510,000
July 22, 2018	0.25	1,601,250	1,601,250
December 04, 2018	0.25	250,000	250,000
February 05, 2019	0.25	100,000	100,000
August 29, 2019	0.15	1,185,000	1,185,000
		<b>4,646,250</b>	<b>4,646,250</b>

The Corporation applies the fair value method of accounting for all stock based compensation awards and accordingly, \$NIL was recorded as compensation for the periods (2014 - \$162,360 was recorded as compensation for the period). As of September 30, 2015 there were no unvested stock options (2014 - 8,333 unvested stock options, with a weighted average exercise price of \$0.25).



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### Related Party Transactions

The Corporation's related parties include key management personnel and entities over which they have control or significant influence as described below.

	Nature of transactions
The Alyris Group	Accounting, management and facilities rental
Alyris Leasing Inc.	Facilities rental
DRAX Services Limited	Corporate secretarial and filing services
Premier Gold Mine Limited	Rental

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

The following are the related party transactions, recorded at the exchange amount as agreed to by the parties:

- (a) Included in general and administrative expenses are amounts totaling \$101,983 (2014 - \$110,458), for IT consulting, and accounting and management services provided by 1752466 Ontario Inc., O/A The Alyris Group, a company related to the Corporation through Ewan Downie, Director of Wolfden and Dan Mechis, Director of Wolfden.
- (b) Included in general and administrative expenses are amounts totaling \$51,153 (2014 - \$52,530) for rent, common cost, and co-op cost paid by Alyris Leasing Inc., a company related to the Corporation through Ewan Downie, Director of Wolfden and Dan Mechis, Director of Wolfden.
- (c) Included in general and administrative expenses are amounts totaling \$9,705 (2014 - \$10,229) for corporate secretarial services and filing service provided by DRAX Services Limited, a company related to the Corporation through Shaun Drake, Corporate Secretary of Wolfden.
- (d) Included in general and administrative expenses are amounts totaling \$5,400 (2014 - \$5,400) for rent paid to Premier Gold Mines Limited, a company related to the Corporation through Ewan Downie, Director of Wolfden.

Key management personnel remuneration includes the following amounts:

	2015	2014
	\$	\$
Salary and wages	237,354	236,185
Share-based payments	-	76,720
Other compensation	8,997	8,805
	<b>246,351</b>	<b>321,710</b>



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## Commitments

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The Corporation has commitments relating to an office lease, which includes rent, common cost, and co-op cost, expiring June 2017.

The minimum payments are as follows:

	\$
2015	17,104
2016	68,415
2017	34,208
	<hr/> 119,726

## Flow-through renunciation

As at December 31, 2014, the Corporation renounced 100% of its flow-through related resource expenditures to investors. The Corporation has until February 1, 2015 to incur the expenditures before monthly interest charges begin to accrue on unspent funds. Interest charges incurred by the Corporation as a result of this income tax legislation are charged to income in the period incurred. Of the \$3,496,533 in flow-through financing raised in 2014, the Corporation has incurred \$2,397,989 in exploration expenses, and thus has \$1,098,544 remaining to be spent by December 31, 2015.

## Financial Instruments

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Financial instruments consist of cash and cash equivalents, accounts receivable, investments, and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying value due to the short term to maturity, unless otherwise noted.

## Risk Factors

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An investment in the Corporation involves a number of risks. You should carefully consider the following risks and uncertainties in addition to other information in this report in evaluating the Corporation and its business before making any investment decision in regards to the common shares of the Corporation. The Corporations' business, operating and financial condition could be harmed due to any of the following risks. The risks described below are not the only ones facing the Corporation. Additional risks not presently known to us may also impair business operations.

### *Exploration and Mining Risks*

The Corporation is engaged in mineral exploration and development activities. Mineral exploration and development involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. The long-term profitability of our operations will be in part directly related to the cost and success of our exploration programs, which may be affected by a number of factors beyond our control.

Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Corporation has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of mineral resources, any of which could result in work stoppages, damage to property, and possible environmental damage.



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Hazards such as unusual or unexpected formations and other conditions such as formation pressures, fire, power outages, labour disruptions, flooding, explorations, cave-ins, landslides and the inability to obtain suitable machinery, equipment or labour are involved in mineral exploration, development and operation. We may become subject to liability for pollution, cave-ins or hazards against which we cannot insure or against which we may elect not to insure. The payment of such liabilities may have a material, adverse effect on our financial position.

The Corporation relies upon consultants and others for exploration and development expertise. Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing mineral properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, allowable production, importing and exporting of minerals and environmental protection.

#### *Financing Risks*

The Corporation is limited in financial resources, and as a mineral exploration company has no source of operating cash flow. The Corporation has no assurance that additional funding will be available to us for further exploration and development of our projects or to fulfil our obligations under any applicable agreements. There can be no assurance that we will be able to obtain adequate financing in the future, or that the terms of such financing will be favourable. Failure to obtain additional financing could result in delay or indefinite postponement of further exploration and development of our projects with the possible loss of such properties.

#### *Regulatory Requirements*

Even if our mineral properties are proven to host economic reserves of mineral resources, factors such as governmental expropriation or regulation may prevent or restrict mining of any such deposits or repatriation of profits. The Corporation may acquire other properties in other jurisdictions or countries. Any changes in regulations or shifts in political conditions are beyond the control of the Corporation and may adversely affect our business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, and expropriation of property, environmental legislation and mine safety.

#### *Uninsurable Risks*

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Corporation may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Corporation.

#### *No Assurance of Titles*

It is possible that any of our properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects.

#### *Permits and Licenses*

The operations of the Corporation may require licenses and permits from various governmental authorities. There can be no assurance that such licenses and permits as may be required to carry out exploration, development and mining operations at our projects will be granted.



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*Competition*

The mineral industry is intensely competitive in all its phases. We compete with many companies possessing greater financial resources and technical facilities than the Corporation for the acquisition of mineral concessions, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees.

In addition, there is no assurance that a ready market will exist for the sale of commercial quantities of ore. Factors beyond the control of the Corporation may affect the marketability of any substances discovered. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Corporation not receiving an adequate return on invested capital or losing our investment capital.

*Environmental Regulations*

Our operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. 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. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. There is no assurance that future changes in environmental regulation, if any, will not adversely affect our operations.

*Stage of Development*

The Corporation is in the business of exploring for, with the ultimate goal of producing, mineral resources from our mineral exploration properties. None of our properties have commenced commercial production and we have no history of earnings or cash flow from our operations. As a result of the foregoing, there can be no assurance that we will be able to develop any of our properties profitably or that our activities will generate positive cash flow. We are unlikely to enjoy earnings or pay dividends in the immediate or foreseeable future. A prospective investor in the Corporation must be prepared to rely solely upon the ability, expertise, judgment, discretion, integrity and good faith of our management in all aspects of the development and implementation of our business activities.

*Markets for Securities*

There can be no assurance that an active trading market in our securities will be established and sustained. The market price for our securities could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of our peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the securities of the Corporation. The stock market has from time to time experienced extreme price and volume fluctuations, particularly in the mining sector, which have often been unrelated to the operating performance of particular companies.

*Reliance on Key Individuals*

Our success depends to a certain degree upon certain key members of the management. It is expected that these individuals will be a significant factor in our growth and success. The loss of the service of members of the management and certain key employees could have a material adverse effect on the Corporation.



# WOLFDEN

Resources Corporation

MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL  
CONDITION AND RESULTS OF OPERATIONS  
For the three and nine months ended September 30, 2015

## *Geopolitical Risks*

The Corporation may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploitation and production, price controls, export controls, currency availability, income taxes, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental and other non-governmental organizations, expropriation of property, ownership of assets, environmental legislation, labour relations, limitations on mineral exports, increased financing costs, and site safety. In addition, legislative enactments may be delayed or announced without being enacted and future political action that may adversely affect the Corporation cannot be predicted. Any changes in regulations or shifts in political attitudes that may result, among other things, in significant changes to mining laws or any other national legal body of regulations or policies are beyond the control of the Corporation and may adversely affect its business. The possibility that future governments may adopt substantially different policies, which might extend to the expropriation of assets, cannot be ruled out.

## **Financial instruments and related risks**

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The Corporation's operations include the acquisition and exploration of mineral properties in Canada. The Corporation examines the various financial risks to which it is exposed and assesses the impact and likelihood of occurrence. These risks may include credit risk, liquidity risk, currency risk, interest rate risk and other risks. Where material, these risks are reviewed and monitored by the Board of Directors.

### [a] Credit risk

Counterparty credit risk is the risk that the financial benefits of contracts with a specific counterparty will be lost if a counterparty defaults on its obligations under the contract. This includes any cash amounts owed to the Corporation by those counterparties, less any amounts owed to the counterparty by the Corporation where a legal right of off-set exists and also includes the fair values of contracts with individual counterparties which are recorded in the financial statements.

- i) **Trade credit risk**  
The Corporation is in the exploration stage and has not yet commenced commercial production or sales. Therefore, the Corporation is not exposed to significant credit risk and overall the Corporation's credit risk has not changed significantly from the prior year.
- ii) **Cash and cash equivalents**  
In order to manage credit and liquidity risk the Corporation invests only in highly rated investment grade instruments that have maturities of six months or less and are cashable at any time. Limits are also established based on the type of investment, the counterparty and the credit rate.
- iii) **Derivative financial instruments**  
As at September 30, 2015, the Corporation has no derivative financial instruments. It may in the future enter into derivative financial instruments in order to manage credit risk, it will only enter into derivative financial instruments with highly rate investment grade counterparties.

### [b] Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation manages liquidity risk through the management of its capital structure.

Accounts payable and accrued liabilities are due within the current operating period.



MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL  
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[c] Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Corporation will realize a significant loss as a result of a decline in the fair market value is limited as the Corporation holds all of its funds in cash and guaranteed investment certificates.

[d] Currency risk

The Corporation is exposed to the financial risk related to the fluctuation of foreign exchange rates. The functional and reporting currency of the Corporation is the Canadian dollar, however it has operations located in the United States, and as such is subject to fluctuations in that currency. Changes in the currency exchange rates between the Canadian dollar relative to the US dollar could have an effect on the Corporation's results of operations, financial position or cash flows. The Corporation has not hedged its exposure to currency fluctuations. At September 30, 2015 a 100 basis point decrease/increase in the U.S. Dollar would result in a foreign exchange gain/loss of approximately CDN\$8.

The Corporation does not invest in derivatives to mitigate these risks.

The following table sets forth the Corporation's financial assets measured at fair value by level within the fair value hierarchy.

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Assets</b>				
Investments	-	1,921,593	-	<b>1,921,593</b>

### Management of Capital Risk

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The Corporation manages its common shares, stock options and warrants as capital. The Corporation's objectives when managing capital are to safeguard the Corporation's ability to continue as a going-concern in order to pursue the exploration of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Corporation manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation may attempt to issue new shares and, acquire or dispose of assets.

### Subsequent events

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On October 28, 2015 the Corporation received certification of the dissolution of MPC Subco from the Michigan Department of Licensing and Regulatory Affairs.

Subsequent to period end, a Notice of Dispute (the "Notice") was filed with the Province of Manitoba with respect to the Rice Island, Manitoba claims. Specifically, the Notice states that an individual (the "Disputant") has taken the position that one of the claims recorded in favour of Wolfden is invalid due to the existence of the Disputant's claims on the land prior to Wolfden's staking of the claim. Wolfden has responded to the Notice and is confident that it has clear and legal title to the subject claim as confirmed by the issuing of the recording certificate by the Manitoba Mining Recorder.



MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL  
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### **Off-Balance Sheet Arrangements**

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The Corporation has not participated in any off-balance sheet or income statement arrangements.

### **Changes in Internal Control over Financial Reporting ("ICFR")**

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No changes occurred in the current period of the Corporation's ICFR that have materially affected, or are reasonably likely to materially affect the Corporation's ICFR.

### **Controls and Procedures**

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In accordance with the requirements of National Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings, the Corporation's management, including Chief Executive Officer (CEO) and Chief Financial Officer (CFO), have evaluated the operating effectiveness of the Corporation's internal control over financial reporting. Management of the Corporation is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed by, or under, the supervision of, the CEO and CFO and effected by management and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Management assessed the effectiveness of the Corporation's internal control over financial reporting as of September 30, 2015. Based on this assessment, management believes that, as of September 30, 2015, the Corporation's internal control over financial reporting is designed effectively.

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the CEO and CFO, on a timely basis so that appropriate decisions can be made regarding annual and interim financial statement disclosure. Management believes these disclosure controls and procedures have been effective during the period ending September 30, 2015.

### **Additional Information**

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Additional information relating to the Corporation can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

Mr. Don Hoy, President of Wolfden Resources Corporation is the Qualified Person for the information contained in this MD&A and is a Qualified Person defined by National Instrument 43-101.

(Signed)                      Lance Dyll, CPA, CA  
                                         Chief Financial Officer

Thunder Bay, Canada  
November 16, 2015