JAXON MINING INC.

(Formerly Jaxon Minerals Inc.)

(An Exploration Stage Company)

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the nine months ended October 31, 2017

(Unaudited - expressed in Canadian Dollars)

DATE AND GENERAL

The following management's discussion and analysis ("MD&A"), which is dated December 28, 2017, provides a review of the activities, results of operations and financial condition of Jaxon Mining Inc (formerly Jaxon Minerals Inc.) ("the Company" or "Jaxon"), as at October 31, 2017 and for the three and nine months then ended, as well as future prospects of the Company.

This MD&A should be read in conjunction with the unaudited condensed interim financial statements of the Company as at and for the nine months ended October 31, 2017 (the "Interim Financial Statements"), together with the audited financial statements of the Company as at and for the year ended January 31, 2017. All dollar amounts in this MD&A are expressed in Canadian dollars unless otherwise specified (the Company's financial statements are prepared in Canadian dollars). Additional information relating to the Company is available on SEDAR at www.sedar.com.

MANAGEMENT'S RESPONSBILITY FOR FINANCIAL STATEMENTS

The Company's management is responsible for the presentation and preparation of the financial statements on which this discussion and analysis is based. The financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS").

FORWARD LOOKING STATEMENTS

Certain information contained or incorporated by reference in this MD&A, including any information as to our future financial or operating performance, constitutes "forward-looking statements". All statements, other than statements of historical fact, are forward-looking statements. The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by us, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Such factors include, but are not limited to: fluctuations in the currency markets; fluctuations in the spot and forward price of gold or other commodities; changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada and in other countries; business opportunities that may be presented to, or pursued by, us; operating or technical difficulties in connection with mining or development activities; employee relations; litigation; the speculative nature of exploration and development, including the risks of obtaining necessary licenses and permits; and contests over title to properties, particularly title to undeveloped properties. In addition, there are risks and hazards associated with the business of exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and the risk of inadequate insurance, or inability to obtain insurance, to cover these risks. Many of these uncertainties and contingencies can affect our actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, us. Readers are cautioned that forward-looking statements are not guarantees of future performance. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements.

We disclaim any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.

OVERALL PERFORMANCE

<u>Introduction</u>

Jaxon was incorporated pursuant to the provisions of the British Columbia Business Corporations Act on November 6, 2006 and maintains its corporate head office at Suite 502 – 595 Howe Street in Vancouver, British Columbia, Canada. The Company's common shares are listed on the TSX Venture Exchange (TSX.V: JAX) in Canada. The Company is principally engaged in the acquisition, exploration and development of mineral properties as described below.

The business of mining exploration involves a high degree of risk and there is no assurance that current exploration projects will result in future profitable mining operations. The Company has significant cash requirements to meet its administrative overhead, pay its liabilities and maintain its exploration and evaluation ("E&E") assets. The recoverability of amounts shown for E&E assets is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties and future profitable production or proceeds from disposition of E&E assets.

On August 30, 2017 the Company changed its name to Jaxon Mining Inc. and completed a share split on the basis of 1.25 new common shares for every existing common share as previously announced on August 10, 2017. Outstanding common shares, options and warrants in the Company's Interim Financial Statements and this MD&A have been adjusted on the basis of the same ratio.

<u>Exploration and Evaluation Asset Analysis</u>

Hazelton Project (formerly Price Creek), British Columbia

On October 7, 2016, the Company entered into an option agreement to purchase the Hazelton Property ("Hazelton"), located in the Price Creek valley of north-central British Columbia, approximately 55 km north of the town of Smithers. Under the terms of the option purchase agreement, the Company paid $5,000 on signing and issued 125,000 common shares with a fair value of $7,000. In addition, the Company agreed to issue 125,000 common shares for each of the next subsequent four years on the anniversary of the TSX Venture ("TSX-V") acceptance and, make cash payments of:

- $10,000 on year one anniversary of TSX-V acceptance date (paid);
- $15,000 on year two of anniversary of TSX-V acceptance date;
- $20,000 on year three of anniversary of TSX-V acceptance date; and
- $25,000 on year four of anniversary of TSX-V acceptance date.

In October 2017, the Company issued 125,000 common shares with a fair value of $27,500 in fulfillment of the terms of the option agreement at the one-year anniversary.

An advance royalty of $5,000 per year shall commence in year five. An NSR of 2% on production can be purchased for $1,000,000 for each percent. In the event of commercial production, a further 250,000 shares will be issued to the vendor.

The original project size of 2,396 hectares has been increased to 44,482 hectares through the Company's active staking and acquisition program within the area. In conjunction with this increase in land size, the Company agreed to issue a total of 375,000 common shares with a fair value of $21,000 in February 2017.

The property hosts two known showings: The Knoll Zn-Pb-Ag-Au (Minfile 093M 100) and the more expansive Max Ag-Au-Zn-Pb occurrence (Minfile 093M 027) with at least 19 distinctive massive sulfide-bearing outcrops distributed over a 700 metre by 1000 metre area that have been subject to numerous exploration programs in the past years.

The property has at least four known styles of mineralization:

1) Stratiform, bedding parallel sulfide mineralization that was probably related to a shallow marine, VMS exhalative (hot spring) hydrothermal system up to 1.5 metres thick. It is seen in the Max area at the "Creek" "Max Main Trench", "Forgotten", "Lower Forgotten" and "Knoll View" occurrences. In the Max area, the stratiform sulfides zones include pyrite, arsenopyrite, galena, sphalerite, jamesonite, stibnite and gold.
2) Veins hosted in the Cretaceous Max Stock and its hornfelsic envelope. These north to northeast striking veins are comprised of pyrite and arsenopyrite; a 15 centimetre chip sample across the Spine assayed 12.7g/t Au (BC Minfle).
3) Sediment-hosted veins, up to 1.5 metre wide, that contain variable quantities of pyrite, arsenopyrite, galena, sphalerite, stibnite, gold and possible some Ag bearing minerals, including sulfosalts.
4) Rhyolite-hosted disseminated pyrite and sphalerite which has been identified in some drill-holes from the Knoll area.

During the three and nine months ended October 31, 2017, the Company completed a program of historical data review, soil sampling, channel sampling, mapping, IP survey, and a 3D Induced Polarization survey at Hazelton to identify potential drill targets in its phase one drilling program which was commenced and completed in November and December 2017.

The Company announced the commencement of the phase one drilling program at the Max Target area within the Hazelton Project, which is characterized by volcanogenic massive sulphide ("VMS") high-grade silver, zinc and lead mineralization in sporadic outcrops over a roughly one square kilometer area. Drilling was scheduled to consist of 13 NQ-size drill holes, totaling approximately 2,000 metres and was focused primarily on geophysical targets interpreted to be associated with sulphide mineralization. Recent channel samples believed to be related to theses anomalies returned values includeing 6,958 g/t silver over 0.5 metres and 31.92% zinc over 1 metre. The drilling also tested recently completed 2D and 3D IP geophysical surveys indicating extensive high-chargeability and low resistivity anomalies from surface to a depth of approximately 150 metres. These anomalies are interpreted to be related to sulphide-rich matieral. Drilling was completed in December 2017, with Jaxon drilling a total of 2,281 metres in 12 diamond drill holes and assays are pending and will be announced once received, compiled, and reviewed.

More Creek Project (formerly the Foremore and Wishbone Properties)

<u>Wishbone Property</u>

On March 14, 2017, the Company signed a definitive agreement to purchase the gold - silver Wishbone Property. The 3,900-hectare property is located in northwestern British Columbia, Canada, approximately 30 km southeast of the NovaGold Resources Inc./Teck Resources Limited - owned Galore Creek property. The vendor retains a 2% NSR, which can be purchased by the Company at a rate of $1,000,000 per each 1%.

Under the terms of the purchase agreement, the Company agreed to the following payments, share issuances, and other terms:

- $10,000 (paid) and 125,000 common shares on signing (issued with a fair value of $7,000);
- $15,000 and 125,000 common shares on 1st anniversary;
- $25,000 and 125,000 common shares on 2nd anniversary;
- $25,000 and 125,000 common shares on 3rd anniversary;
- $50,000 and 250,000 common shares on 4th anniversary;
- $50,000 and 250,000 common shares on 5th anniversary;
- $20,000 per year advanced royalty payments beginning on the 6th anniversary; and
- 250,000 common shares owed on commercial production

The property has seen some historic exploration which include a channel sample in a single vein averaging 7.8 g/t Au over an average vein width of 2.4 metres and a strike length of 78 metres. Mineralized boulder train and outcrop consisting of disseminated massive sulphides in quartz carbonate vein material with assay values up to 6.7 kg/t Ag, and 8.2% Cu.

Foremore Property

On August 16, 2017, the Company entered into an option agreement, where by Jaxon can earn a 100% interest in the Foremore Property ("Foremore"), which is located 45 km north of Barrick Gold Corporation's legendary historic Eskay Creek Mine, in the heart of British Columbia's famed Golden Triangle. The property adjoins Jaxon's recently acquired Wishbone property, and the combined properties are now known as the More Creek Project.

Foremore consists of contiguous claims covering approximately 15,532 hectares. The terms of the agreement to acquire its 100% interest are as follows:

- $5,000 on signing (paid);
- $45,000 (paid) and 437,500 common shares on TSX-V approval (issued with a fair value of $108,500);
- $50,000 and 437,500 common shares on 1st anniversary (2018);
- $75,000 and 500,000 common shares on 2nd anniversary (2019);
- $125,000 and 562,500 common shares on 3rd anniversary (2020);
- $200,000 and 625,000 common shares on 4th anniversary (2021); and
- $200,000 and 625,000 common shares on 5th anniversary (2022).

Additionally, on commencement of commercial production from Foremore, the Company has agreed to pay $2,500,000 in cash and issue 3,125,000 common shares.

The properties consist of contiguous claims covering 15,531.8 hectares. Cominco Limited staked portions of the property after the original discovery of a 162 g/t gold quartz boulder and several massive sulphide boulder fields during helicopter reconnaissance in 1987. Since that time, exploration has developed multiple target areas.

The Foremore Property extends north to Jaxon's 3,900-hectare Wishbone Property, expanding the Company's contiguous land holdings in the region to almost 20,000 ha. Jaxon has renamed the new consolidated property the More Creek Project. Exploration highlights include:

- 162 g/t gold sulphide boulder initial discovery;
- 3.1m drill intercept: 14.6 g/t gold, 1,114 g/t silver, 6.6% Zinc;
- 3,240.9 g/t gold, 82,514 g/t silver in outcrop vein; and
- 250m thick drill intercept, highly anomalous in base and precious metals.

Stock Properties, British Columbia

On August 29, 2017, the Company announced it has entered into a binding Letter of Intent to acquire a 75% interest in a joint-venture on the Stock Properties in British Columbia's Golden Triangle. The Properties have been explored intermittently since 1921, with numerous tunnels and crosscuts, one extending 300 metres. Mineralization on the property includes silver, gold, tungsten, copper, lead and zinc in beds of a siltstone complex. Terms of the agreement include the Company spending a total of $375,000 over 4 years on the Properties, and subscribing for 1,333,334 units of the Rotation Minerals Ltd. ("Rotation") and at a price of $0.15 per unit. The Company completed the financing requirement for 1,333,334 units of Rotation during the nine months ended October 31, 2017 (further details are discussed below).

Other Properties and Projects

a) *ST Silver-Gold Prospect, Yukon*

The ST Silver-Gold Prospect, covering over 4 strategic claims, lies 120 km northwest of Whitehorse, Yukon in a region with major regional fault systems and a large tertiary aged multiple staged volcanic complex. Streams draining the area have long been known to carry fine crystalline gold with the source as yet undetermined. Previous operators have conducted regional and local surveys which resulted in the discovery of a significant gold-silver exploration target. The claims cover coincident airborne EM/ground 3DIP geophysical anomalies. The area of the airborne was covered with a survey grid totaling

23 kilometres of cut lines. Soil geochemical sampling has identified a gold/silver (plus indicator elements) anomaly immediately down slope from the geophysical zones. Historic exploration expenditures total approximately $175,000. The Company has paid $1,000 and issued 500,000 common shares to the vendor. The vendor retains a 2% NSR on the future production.

b) *Hot Bath Project, British Columbia*

The Company entered into an option agreement to acquire a 50% interest in the Hot Bath Project located in British Columbia, Canada, pursuant to which the Company issued 3,750,000 common shares with a fair value of $75,000 during the year ended January 31, 2017. The Company also issued 375,000 common shares as finder's fees with a fair value of $7,500. In December 2016, the Company decided to terminate the option agreement and the costs associated with the acquisition and exploration and evaluation work to date were written off during the year ended January 31, 2017.

c) *Snow Lake Property*

The Company fulfilled all its requirements under an option agreement to purchase a 100% interest, subject to a 3% royalty, in 144 hectares of mineral claims in the Snow Lake area of Manitoba. The Company incurred $283,280 in expenditures on the property which included geophysics and diamond drilling. In accordance with the terms of the agreement the Company notified the vendor to transfer title to the Company which the vendor failed to do. When filing dates for assessment to be applied to the claims came due (of which there was a significant amount of credits available) the Company was not notified of the deadline dates until they had passed. The vendor then commenced an action in the Supreme Court of BC for loss of his royalty which the Company defended and in addition sought damages from the vendor, for the loss of the claims. An application for Arbitration was filed and after considerable legal expenses by both parties and after all the attendant disruption to the Company's focus, it was determined that the action be settled by issuing the vendor 100,000 common shares of the Company. As a result, the Company wrote-off $283,280 in the Snow Lake claims during the year ended January 31, 2015.

d) *Other*

On September 1, 2017, the Company announced that it has entered into a binding Letter of Intent ("LOI") to acquire the historic Cronin silver-zinc-lead-gold Mine, located 27 kilometres north of Smithers, British Columbia, in BC's Skeena Arch. Subsequent to October 31, 2017, the Company terminated the LOI and does not currently contemplate entering into any final definitive purchase agreement on these properties.

FINANCIAL CONDITIONS

For the nine months ended October 31, 2017, the Company reported a net loss of $1,934,480 (nine months ended October 31, 2016 – $303,757) and an accumulated deficit of $9,859,857 (January 31, 2017 - $7,925,377). As at October 31, 2017, the Company had a working capital of $1,104,066 (January 31, 2017 – $8,633). The Company has no source of operating cash flow and relies on issuances of equity to finance operations, including exploration of its exploration and evaluation assets.

During the nine months ended October 31, 2017, as part of a joint venture agreement on the Stock Properties discussed above, the Company participated in a non-brokered private placement of Rotation Minerals Ltd., a company whose common shares are publicly traded and listed on the TSX Venture Exchange in Canada under the ticker symbol "ROT". Pursuant to the terms of this non-brokered private placement, the Company received a total of 3,333,333 units of Rotation Minerals Ltd. at a unit price of $0.15 per unit, equating to a total investment of $500,000. Each unit consisted of one common share and one common share purchase warrant, with each warrant entitling the holder to purchase one common share at $0.25 for a period expiring two years following the closing date of the private placement.

Subsequent to October 31, 2017, the Company closed a flow-through financing first announced on October 26, 2017. The Company raised a total of $1,472,000 by issuing a total of 4,600,000 flow through shares at an issuance price of $0.32 per share. The proceeds of this financing will contribute to funding the drill program at Hazelton silver-zinc VMS target in British Columbia's prolific Skeena Arch. Proceeds are also expected to contribute to data integration and modeling from the historic work at More Creek Project in northern British Columbia's Golden Triangle.

OUTLOOK

For remainder of fiscal 2018 (ending January 31, 2018), the Company will focus its priorities as follows:

- Following the completion of the Company's phase one drilling program at Hazelton, the Company will review and disseminate the assay and geological results once analysis is complete;
- Continue to collate data on its Hazelton Project in the Skeena Arch and combine with results from the Company's successful 2017 field season;
- Continue detailed historical data review of the More Creek (formerly Wishbone/Foremore) project area in the Golden Triangle, including results from the Company's initial field visit; and
- Begin data compilation and plan a work program for the Stock Properties in the Golden Triangle.

RESULTS OF OPERATIONS

<u>Exploration and development</u>

During the nine months ended October 31, 2017, exploration expenditures were as follows:

	January 31, 2017 $	Additions $	October 31, 2017 $
ST Silver-Gold Project, Yukon			
Acquisition costs	28,500	-	28,500
Geological services	5,000	-	5,000
Administration and maintenance	129	-	129
	33,629	**-**	**33,629**
Hazelton Project, British Columbia			
Acquisition costs	12,000	117,404	129,404
Administration and maintenance	-	13,293	13,293
Assaying and analysis	-	43,634	43,634
Camp costs, supplies, and logistics	1,603	24,064	25,667
Drilling and drilling related costs	-	5,824	5,824
Environmental review	-	2,205	2,205
Geological services	33,436	220,373	253,809
Project management	-	92,750	92,750
Property examination	-	603,214	603,214
Stock-based compensation	-	123,367	123,367
Travel	-	75,617	75,617
	47,039	**1,321,745**	**1,368,784**
Foremore and Wishbone Properties, British Columbia			
Acquisition costs	-	175,500	175,500
Legal	-	10,960	10,960
Assay and analysis	-	341	341
Property examination	-	16,567	16,567
	-	**203,368**	**203,368**
Total Exploration and Evaluation Assets:	**80,668**	**1,525,113**	**1,605,781**

During the nine months ended October 31, 2017, the Company's main area of focus was review of historical geological data, property examination, and planning for the phase one drill program at Hazelton in British Columbia, which began in early November 2017 and was completed in the middle of December 2017. A detailed analysis of the Company's results of exploration and work is discussed above under "Exploration and Evaluation Assets Analysis".

In addition, pursuant to the terms of the various option and purchase agreements on the projects above, the Company issued a total of 1,062,500 common shares with a fair value of $164,000, which is included in acquisition costs.

General and Administrative Expenses

The details of the general and administrative expenses for the three and nine months ended October 31, 2017 and 2016 are as follows:

	Three months ended		Nine months ended	
	October 31, 2017 -$-	October 31, 2016 -$-	October 31, 2017 -$-	October 31, 2016 -$-
Expenses				
Share-based compensation (non-cash)	617,001	-	617,001	-
Marketing and IR	370,601	109,210	549,932	124,210
Management fees	42,000	-	148,000	-
Corporate development	40,495	-	181,795	-
Travel and entertainment	163,702	-	170,016	-
Consulting fees	71,965	56,875	94,278	79,350
Regulatory and filing fees	21,506	1,576	55,927	7,330
Professional fees	27,351	4,961	43,132	26,888
Director fees	36,000	-	36,000	-
Office and miscellaneous	7,903	30,917	23,878	41,797
Advertising	7,492	-	12,075	-
Bank charges	855	124	2,445	255
Interest expense	-	23,928	-	23,928
Loss and comprehensive loss for the period	(1,406,872)	(227,590)	(1,934,480)	(303,757)
Basic and diluted loss per share	(0.02)	(0.01)	(0.04)	(0.01)
Weighted average number of common shares outstanding	56,501,384	23,480,733	51,154,042	22,547,249

Total net loss for the nine months ended October 31, 2017 was $1,934,480 compared to $303,757 for the comparative period ending October 31, 2016. The increase overall was a direct result of the Company's much greater activity level, including acquisition, exploration, market awareness and fund-raising and marketing initiatives in order to fulfill its priorities for the remainder of the fiscal 2018.

During the three months ended October 31, 2017, the Company incurred non-cash share-based compensation expenditures of $617,001 (October 31, 2016 - $Nil) which was the result of the Company granting a total of 5,737,009 stock options to various consultants, officers, and directors of the Company at a weighted average exercise price of $0.203. The options granted during the nine months ended October 31, 2017 were fair valued using the Black-Scholes option pricing model using weighted average risk-free interest rate of 1.22%, volatility of 147%, and expected life of two years.

During the three months ended October 31, 2017, marketing and investor relations expenses totaled $370,601 compared to $109,210 in the prior comparable period. Travel and entertainment expenses for the same period totaled $163,702 compared to $Nil in the prior period. The increase in both areas correlate to the Company's significant increase in marketing activity to attend investor meetings and conferences across Canada, the United States of America, Asia, and Europe. The increase in the expenditure resulted in the Company's increased profile across these jurisdictions and provided the platform for the Company to complete various financings during the nine months ended October 31, 2017 and subsequent to the period.

During the three months ended October 31, 2017, total management fees, consulting fees, and director fees increased to $149,965 compared to the same period in 2016, which totaled $56,875. The increase is attributable to the new management and director appointments and the engagement of new consultants to source new projects, new investors, and other opportunities for the Company over the course of the nine months ended October 31, 2017. Similarly, corporate development expenditures totaled $40,495 compared to $Nil in the prior year period for the same reasons.

During the three months ended October 31, 2016, the Company paid interest and financing fees of $23,928 on non-arm's length party loans which were repaid during the year ended January 31, 2017. No such costs were incurred during the nine months ended October 31, 2017.

SELECTED ANNUAL FINANCIAL INFORMATION

The following table presents selected financial information for the last three fiscal years ended January 31, 2017, 2016 and 2015:

	2017	2016	2015
Net loss and comprehensive loss	$ (558,724)	$ (187,658)	$ (568,074)
Basic and diluted loss per share	$ (0.02)	$ (0.01)	$ (0.03)
Total assets	$ 206,075	$ 40,515	$ 66,453

The above takes into consideration the Company's completion on August 30, 2017 of a share split on the basis of 1.25 new common shares for every existing common share.

SUMMARY OF QUARTERLY RESULTS

The following table sets out certain unaudited financial information of the Company for each of the last eight quarters. This financial information has been prepared in accordance International Accounting Standard ("IAS") 34 Interim Financial Reporting using accounting policies consistent with IFRS issued by the International Accounting Standards Board ("IASB"). The information below takes into consideration the Company's completion on August 30, 2017 of a share split on the basis of 1.25 new common shares for every existing common share.

	Q3 2018	Q2 2018	Q1 2018	Q4 2017
Net loss	$ (1,406,872)	$ (352,183)	$ (175,425)	$ (254,967)
Per share	$ (0.02)	$ (0.01)	$ (0.01)	$ (0.01)

	Q3 2017	Q2 2017	Q1 2017	Q4 2016
Net loss	$ (227,590)	$ (40,860)	$ (35,307)	$ (54,331)
Per share	$ (0.01)	$ (0.00)	$ (0.00)	$ (0.00)

Quarterly results are highly variable for exploration companies depending on whether the Company has any property write-downs, share-based payments expenses and overall business activity which increased significantly during the year ended January 31, 2018.

LIQUIDITY AND CAPITAL RESOURCES

The recovery of the Company's investment in exploration and evaluation properties and the attainment of profitable operations are dependent upon the discovery and development of economic precious and base metal reserves and the ability to arrange sufficient financing to bring these reserves into production. The ultimate outcome of these matters cannot presently be determined.

As the Company is in the exploration stage, no mineral producing revenue has been generated to date. The ability of the Company to meet its obligations and continue the exploration and development of its mineral properties is dependent upon its ability to continue to raise adequate financing. Historically, operating capital and exploration requirements have been funded primarily from equity financing, joint ventures, disposition of mineral properties and investments. There can be no assurance that such financing will be available to the Company in the amount required at any time or for any period or, if available, that it can be obtained on terms satisfactory to the Company. Based on the amount of funding raised, the Company's exploration program may be tailored accordingly.

Other than those obligations disclosed in the notes to its condensed interim financial statements and discussed in this MD&A, the Company has no other long-term debt, capital lease obligations, operating leases, or any other long-term obligations. The Company has no outstanding debt facility upon which to draw.

The activities of the Company, principally the acquisition of mineral properties and exploration thereon, are financed through the completion of equity offerings involving the sale of equity securities. These equity offerings generally include private placements and the exercise of warrants and options.

As at October 31, 2017 there were 6,930,759 options outstanding at an average exercise price of $0.176 and 15,664,272 share purchase warrants outstanding at an average exercise price of $0.177.

As of October 31, 2017, the Company had $932,788 in cash and working capital of $1,104,066.

Historically, the Company's only source of funding has been the issuance of equity securities for cash. The Company has issued common share capital pursuant to private placement financings, and the exercise of warrants and options. The Company's access to exploration financing when the financing is not transaction specific is always uncertain. There can be no assurance of continued access to significant equity funding. The Company's ability to raise additional funds may be impacted by future exploration results and changes in metal prices or market conditions.

A detail of the Company's recently completed private placements are discussed in the section that follows.

CAPITAL RESOURCES

During the nine months ended October 31, 2017, the Company completed the following private placements and share issuances related to the exercise of options and warrants:

- During the nine months ended October 31, 2017, the Company completed a private placement of 10,578,930 units at a $0.056 per unit for total gross proceeds of $592,420. Each unit consisted of one common share of the Company and one share purchase warrant at $0.096 per share exercisable for period of two years from the date of closing. In connection with this private placement, the Company paid finder's fees and regulatory expenses of $31,487 in cash, issued 195,416 broker warrants, and 159,316 option certificates. The option certificates entitled the holder to acquire up to an additional 159,316 units under the same terms of the original private placement of $0.056 per unit. The broker warrants were issued under the same terms as the warrants issued in the private placement.

- During the nine months ended October 31, 2017, the Company completed a private placement of 10,112,000 units at a $0.20 per unit for total gross proceeds of $2,022,400. Each unit consisted of one common share and one-half common share purchase warrant, with a full warrant entitling the holder to acquire one additional common share for a 2-year period from the date of closing at an exercise price of $0.28 per share. The Company paid finder's fees and regulatory expenses of $45,098 in cash and issued 320,000 broker warrants, which entitle the holders to purchase 320,000 common shares of the Company at $0.28 with expiry dates between one and two years.

- During the nine months ended October 31, 2017, the Company completed a private placement of 2,491,665 units at a $0.24 per unit for total gross proceeds of $598,000, of which $180,000 has been allocated to subscription receivable as at October 31, 2017. Each unit consisted of one common share and one-half common share purchase warrant, with a full warrant entitling the holder to acquire one additional common share for a 2-year period from the date of closing at an exercise price of $0.304 per share. The Company paid finder's fees and regulatory expenses of $57,427 in cash and issued 75,208 broker warrants, which entitle the holders to purchase 75,208 common shares of the Company at $0.304 with expiry dates of two years from the date of closing.

- During the nine months ended October 31, 2017, the Company issued a total of 8,563,246 common shares on the exercise of 8,625,746 share purchase warrants, with the remaining 62,500 common shares issued subsequent to October 31, 2017. The Company received total gross proceeds of $717,699.

- During the nine months ended October 31, 2017, the Company issued a total of 1,418,750 common shares on exercise of the same number of options. The Company received total consideration of $85,450, of which $21,000 was applied against outstanding payables.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The Company does not have any long term contractual obligations.

OFF-BALANCE SHEET TRANSACTIONS

The Company has not entered into any off-balance sheet transactions.

RELATED PARTY TRANSACTIONS

Key management personnel of the Company are members of the Board of Directors, as well as the President and Chief Executive Officer and the Chief Financial Officer. Key management compensation includes consulting fees and benefits as follows:

	Nine Months Ended October 31, 2017 -$-	Nine Months Ended October 31, 2016 -$-
Director fees (i)	36,000	-
Management fees (ii)	148,000	-
Consulting and advisory fees to key persons (iii)	232,851	-
Share-based payments to key persons (iv)	608,885	-

(i) The Company paid director and committee fees to the Company's Chairman of the Board.
(ii) The Company paid management fees to the Company's President and CEO.
(iii) The Company paid fees to key persons for strategic, geological and financial consulting.
(iv) Share-based payments are the fair value of options granted to key management and consultants as at the grant date. Included in the total stock-based payments to key persons is $110,711 costs capitalized to evaluation and exploration assets.

As at October 31, 2017, included in accounts payable and accrued liabilities is $234,041 (as at January 31, 2017 - $77,411) payable to related parties for shared office space, administrative expenses, management fees, director fees and costs related to the Company's activities. During the nine months ended October 31, 2017, the Company paid a company with an officer and director in common a total of $65,000 (nine months ended October 31, 2016 - $45,000) for reimbursement of administrative expenses and costs related to the Company's activities.

During the three months ended October 31, 2017, the Company paid interest and financing fees of $23,928 on non-arm's length party loans which were repaid during the year ended January 31, 2017.

SHARES ISSUED AND OUTSTANDING

As at October 31, 2017 the Company had 70,404,835 shares outstanding, 6,930,759 options outstanding and 15,664,272 share purchase warrants outstanding. As of December 28, 2017, the Company had 75,867,334 shares outstanding, 6,880,759 options outstanding and 14,914,272 share purchase warrants outstanding.

NEW APPOINTMENTS

On March 27, 2017, the Company announced that it has received resignations from directors Leif Smither as well as Navin Varshney and has appointed Emma Fairhurst as well as Garry Stock to its Board of Directors.

On June 23, 2017, the Company announced the appointment of John King Burns as Chairman and Lead Director.

On August 15, 2017, the Company announced the appointment of Dr. Yingting (Tony) Guo to its board of directors.

On August 29, 2017, the Company announced the addition of Neil Moloney and Wenhong (Wilson) Jin to its technical advisory board and also announced the resignation of Garry Stock and Emma Fairhurst from the Board of Directors.

On September 18, 2017, the Company announced Carl Swensson was appointed as VP Exploration for the Company.

CRITICAL ACCOUNTING ESTIMATES

The Company’s critical accounting judgements are contained in Note 2 to the audited financial statements for the year ended January 31, 2017. The preparation of the annual financial statements in conformity with International Financial Reporting Standards ("IFRS") requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Financial Statements included the following:

Impairment assessment

The Company assesses its exploration and evaluation assets for possible impairment if there are events or changes in circumstances that indicate that carrying values of the assets may not be recoverable, at each reporting period. The assessment of any impairment of equipment and exploration and evaluation assets is dependent upon estimates of recoverable amounts that take into account factors such as reserves, economic and market conditions, timing of cash flows, and the useful lives of assets and their related salvage values.

Assessment of going concern

The Company uses judgment in determining its ability to continue as a going concern in order to discharge its current liabilities by raising additional financing.

Assumptions used in the calculation of the fair value assigned to options and warrants

The Black-Scholes option pricing models require the input of subjective assumptions, including expected price volatility, risk – free interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company’s equity reserves.

RECENT ACCOUNTING PRONOUNCEMENTS

The following new standards have been issued by the IASB, but are not yet effective:

IFRS 9 *Financial Instruments* addresses classification and measurement of financial assets. It replaces the multiple category and measurement models in IAS 39 *Financial Instruments; Recognition and Measurement* for debt instruments with a new mixed measurement model having only two categories; amortized cost and fair value through profit or loss. Requirements for financial liabilities are largely carried forward from the existing requirements in IAS 39 except that fair value changes due to credit risk for liabilities designated at FVTPL are generally recorded in other comprehensive income/loss. The effective date of this new standard will be for periods beginning on or after January 18, 2018 with early adoption permitted. The Company has not yet assessed the impact of this standard or determined whether it will adopt earlier.

IFRS 16 *Leases* specifies how an issuer will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is twelve months or less, or the underlying asset has an insignificant value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17 *Leases*. IFRS 16 was issued in January 2016 and applies to annual reporting periods beginning on or after January 1, 2019. The Company has not yet assessed the impact of this standard or determined whether it will adopt earlier.

FINANCIAL INSTRUMENTS

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Cash is carried at fair value using level 1 fair value measurement. The carrying value of receivables and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

During the three months ended October 31, 2017, the Company entered into two private placements totaling 3,333,333 units of Rotation at a unit price of $0.15 per unit, equating to a total investment of $500,000. During the period, from the date of the purchase until October 31, 2017, there was minimal trading of Rotation shares, and therefore the Company was unable to conclude that the shares were being actively traded and that the closing price was an appropriate measure of fair value. Accordingly, the Company has measured the value of the units acquired based on the price paid as this was considered to be a more reliable measurement basis. Once these shares are actively traded, the Company will measure the shares and warrants at fair value using updated market data.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Management believes that the credit risk concentration with respect to cash is remote. Receivables are due from government agencies.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they come due. All of the Company's financial liabilities are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant and the Company, as all other companies in its industry, has exposure to these risks.

Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to maintain cash and term deposits in its banking institutions and does not believe interest rate risk to be significant.

Foreign currency risk

The Company has limited exposure at the present time to foreign currency risk on fluctuations related to cash, receivables, accounts payable and accrued liabilities since the majority of all transactions are denominated in Canadian Dollars.

Price risk

The Company is not a producing entity so is not directly exposed to fluctuations in commodity prices. The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

CAPITAL MANAGEMENT

The Company's capital is comprised of share capital and cash. There were no changes in the Company's approach to capital management during the year ended January 31, 2017 and for the nine months ended October 31, 2017. The Company is not subject to any externally imposed capital requirements. During the nine months ended October 31, 2017, the Company completed a number of private placement to fund the Company's exploration and evaluation on existing projects and to increase the Company's shareholder profile as described throughout this MD&A.

SUBSEQUENT EVENTS

Subsequent to October 31, 2017, the Company closed a flow-through financing first announced on October 26, 2017. The Company raised a total of $1,472,000 by issuing a total of 4,600,000 flow through shares at an issuance price of $0.32 per share.

Subsequent to October 31, 2017, the Company issued a total of 62,500 common shares for proceeds already received of $5,000 and classified as shares to be issued as at October 31, 2017. Also after October 31, 2017, 50,000 options were exercised by a consultant of the Company for total consideration of $5,600 and 850,000 warrants were exercised for total gross proceeds on exercise of $72,000.

RISKS AND UNCERTAINTIES

The Company is in the business of acquiring, exploring and, if warranted, developing mineral properties, which is a highly speculative endeavour, and the Company's future performance may be affected by events, risks or uncertainties that are outside of the Company's control.

For a detailed discussion on the various risks associated with the Company's industry, business, and other matters, please refer to the Company's annual MD&A for the year ended January 31, 2017, which is filed on the Company's profile on the SEDAR website, www.sedar.com. The Company's management consider the risks disclosed to be the most significant to potential investors of the Company, but not all risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the directors are currently unaware or which they consider not to be material in relation to the Company's business, actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected.

In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment.

Further Information

Additional information about the Company is available at the Company’s website at www.jaxonmining.com.