QUADRO RESOURCES LTD.

(the “Company” or “Quadro”)

FORM 51-102F1

MANAGEMENT DISCUSSION & ANALYSIS

FOR THE YEAR ENDED JULY 31, 2017

The following management discussion and analysis (“MD&A”) has been prepared by management as of November 24, 2017 and should be read in conjunction with the audited financial statements of the Company and related notes for the year ended July 31, 2017. The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). All amounts are stated in Canadian dollars unless otherwise indicated.

FORWARD LOOKING STATEMENTS

This MD&A contains certain forward-looking information and statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions as at the date of this MD&A. The words “expects”, “plans”, “anticipates”, “believes”, “intends”, “estimates”, “projects”, “potential”, “interprets”, “may”, “will” and similar expressions identify forward-looking statements. Information concerning the interpretation of drill results may also be considered a forward-looking statement; as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed. The forward-looking statements reflect the current beliefs of the management of the Company, and are based on currently available information. Readers are cautioned not to place undue reliance on these statements as they are subject to known and unknown risks, uncertainties and other factors, which could cause the actual results, performance, or achievements of the Company to differ materially from those expressed in, or implied by, such forward-looking statements. The Company assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason.

OVERVIEW

Quadro Resources Ltd. was incorporated under the laws of British Columbia and currently trades on the TSX Venture Exchange (the “TSX-V”). The Company's principal business activity is the exploration and development of mineral properties.

On June 6, 2017, the Company entered into an agreement (the “Option Agreement”) with Metals Creek Resources Corp. (“Metals Creek”) and Benton Resources Inc. (“Benton”) whereby the Company was granted an option to acquire a 100% interest in the Staghorn property, located in Newfoundland, as well as all their rights to their newly-optioned Rose Gold property which is comprised of certain mineral claims contiguous to the Staghorn property.

To exercise its option under the Option Agreement, the Company was required to: complete a two to one (2:1) share consolidation (completed on July 4, 2017 – see Note 6); settle certain debts of the Company by way of share issuance ($206,550 of debt settled subsequently – see Note 12); issue 4,000,000 post-consolidation common shares to each of Metals Creek and Benton (subsequently issued – see Note 12) and complete a financing of no less than a $1,000,000 (subsequently completed – see Note 12).

Under the Original Letter Agreement and in accordance with the subsequent Assignment and Option Amendment Agreement entered into between Metals Creek, Benton and the vendor of the Rose Gold property, the Company is required to make cash payments of $45,000 and issue 450,000 common shares over a three year period as follows:

- Pay $5,000 (subsequently paid) and issue 50,000 common shares (subsequently issued – see Note 12) upon signing;
- Pay $10,000 and issue 100,000 common shares by April 9, 2018;
- Pay $15,000 and issue 150,000 common shares by April 9, 2019; and
- Pay $15,000 and issue 150,000 common shares by April 9, 2020.

The Rose Gold property is subject to a 2% net smelter returns royalty (“NSR”) in favour of the original vendor. The Company has the right to buy back a 1% NSR for $1,000,000.

The Staghorn property is subject to NSR royalties as outlined below:

- A royalty granted to Metals Creek and Benton representing a 3 kilometer area of interest that is subject to a 3% NSR in favour of Metals Creek and Benton, 2% of which can be purchased by the Company at any time for $2,000,000.

- An existing royalty held by Ed Northcott and Gilbert Lushman representing a 3 kilometer area of interest that is subject to: i) a 2% NSR in favour of Ed Northcott and Gilbert Lushman, of which a 1% NSR can be purchased by the Company at any time for $1,000,000; and (ii) a 1% NSR in favour of Metals Creek and Benton.

SELECTED ANNUAL INFORMATION

The following table sets out selected financial information for the Company which has been derived from the Company's audited financial statements for the fiscal years ended July 31, 2017, 2016 and 2015.

	Fiscal 2017 ($)	**Fiscal 2016** ($)	**Fiscal 2015** ($)
Revenues	-	-	-
Income (loss) from continuing operations	(84,374)	(33,510)	(72,982)
Net income (loss)	(84,374)	(33,510)	(72,982)
Income (loss) from continuing operations per share - basic and diluted	(0.02)	(0.01)	(0.02)
Net loss (loss) per share - basic and diluted	(0.02)	(0.01)	(0.02)
Total assets	120,449	5,219	28,983
Total non-current liabilities	-	-	-
Dividends	-	-	-

Factors That Affect the Comparability of the Annual Financial Data Disclosed Above

During fiscal 2017, 2016 and 2015, the Company incurred net losses of $84,374, $33,510, and $72,982, respectively. The increase in loss during fiscal 2017 was mainly due to the proposed transaction completed after the year end, while the decrease in loss in fiscal 2016 was mainly due to management's efforts to reduce costs during the inactive year. The total assets have increased at July 31, 2017 as a result of receipt of proceeds from a private placement completed subsequent to July 31, 2017.

DISCUSSION OF OPERATIONS

The Company is an exploration stage company and has no operating revenue. During the year ended July 31, 2017, the Company had no mineral property interest and incurred no exploration expenditures.

During the year ended July 31, 2017, the Company incurred a net loss of $84,374 compared to a net loss of $33,510 for the year ended July 31, 2016. The loss in fiscal 2017 is mainly attributable to general operating expenses of $84,374 (2016 - $29,439). General operating expenses have increased significantly from the 2016 period mainly due to increased activities related to the acquisition of the Staghorn property and the Rose Gold property in Newfoundland. The variance was mainly attributable to:

- Legal fees of $26,000 (2016 - $nil) relate mainly to the acquisition of the Staghorn property and the Rose Gold property in Newfoundland.

- Transfer agent and regulatory fees of $13,509 (2016 - $4,328) have increased from the prior year due to the regulatory approval costs related to the mineral property acquisition.
- Travel and promotion of $10,671 (2016 - $4,054) related mainly to travel made for property investigation activities.

SUMMARY OF QUARTERLY RESULTS

The following table sets forth selected unaudited financial information for the Company's eight most recent quarters ending with the last quarter for the three months ended on July 31, 2017.

	For the Three Months Ending							
	Fiscal 2017				Fiscal 2016			
	Jul. 30, 2017	Apr. 30, 2017	Jan. 31, 2017	Oct. 31, 2016	Jul. 31, 2016	Apr. 30, 2016	Jan. 31, 2016	Oct. 31, 2015
	($)	($)	($)	($)	($)	($)	($)	($)
Total revenues	-	-	-	-	-	-	-	-
Income (loss) from continuing operations	(62,258)	(5,912)	(8,303)	(7,901)	(12,745)	(5,328)	(9,839)	(5,598)
Net income (loss)	(62,258)	(5,912)	(8,303)	(7,901)	(12,745)	(5,328)	(9,839)	(5,598)
Income (loss) from continuing operations per share - basic and diluted	(0.02)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Net income (loss) per share - basic and diluted	(0.02)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

LIQUIDITY AND CAPITAL RESOURCES

As at July 31, 2017, the Company had a cash balance of $116,570 compared to $3,512 as at July 31, 2016. The Company had working capital deficiency of $221,547 as at July 31, 2017 compared to working capital deficiency of $252,173 as at July 31, 2016.

During the year ended July 31, 2017, the cash balance increased by $113,058 (2016 - decreased by $19,401). The Company spent $40,069 (2016 - $30,401) on operating activities. Cash provided by financing activities includes $115,000 of share subscription proceeds (2016 - $nil) and $38,127 (2016 - $11,000) in advances from the President of the Company.

Subsequent to July 31, 2017, the Company completed a private placement of 7,310,000 non-flow-through units at a price of $0.10 per non-flow-through unit and 6,448,500 flow-through units at a price of $0.10 per flow-through unit for gross proceeds of $1,375,850.

Going Concern

At present, the Company's operations do not generate cash flow and its financial success is dependent on management's ability to continue to raise adequate financing on reasonable terms and to commence profitable operations in the future. However, management believes that it has sufficient working capital to fund its operations for the next twelve months. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the balance sheets. The Company's financial statements do not include adjustments that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Included in amounts due to related parties are $217,844 (July 31, 2016 - $211,844) related to services rendered to the Company by companies controlled by its directors and $47,377 (July 31, 2016 - $15,250) in advances from the President of the Company. Amounts due to related parties are unsecured, non-interest bearing, and have no specific terms of repayment. Subsequent to July 31, 2017, the Company issued 2,065,550 common shares of the Company to settle $206,550 due to the President of the Company.

During the year ended July 31, 2017, the Company received $31,528 in advances from the President of the Company. The advance is unsecured, non-interest bearing, and has no specific terms of repayment.

Key management personnel include directors (executive and non-executive) and officers of the Company. The compensation paid or payable to key management personnel during the years ended July 31 is as follows:

	2017	2016
Management fees	$ 6,000	$ -

The Company entered into the following related party transactions during the year ended July 31, 2017:

a) Paid or accrued management fees of $6,000 (2016 - $nil) to a company controlled by the President of the Company for management services provided.

SUMMARY OF OUTSTANDING SHARE DATA

The Company's issued and outstanding share capital as at the date of this report is as follows:

(1) Authorized: Unlimited common shares without par value.
(2) As at November 24, 2017, the Company has 27,427,094 common shares and no warrants and options issued and outstanding.

CRITICAL ACCOUNTING 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 period. Actual results could differ from these estimates. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised. Significant areas requiring the use of management estimates include:

i) The determination of the fair value of stock options and warrants using stock pricing models, require the input of highly subjective assumptions, including the expected price volatility. Changes in the subjective input assumptions could materially affect the fair value estimate; therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options and warrants.
ii) The determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood of utilizing tax carry-forwards. Changes in these assumptions could materially affect the recorded amounts, and therefore do not necessarily provide certainty as to their recorded values.

FINANCIAL INSTRUMENTS

The Company classified its financial instruments as follows: cash is classified as fair value through profit or loss; trade and other payables, and amounts due to related parties are classified as other financial liabilities and are measured at amortized cost. Information on certain types of financial instruments is included elsewhere in these financial statements as follows:

trade and other payables (Note 4); and amounts due to related parties (Note 5).

The carrying amounts of cash, trade and other payables, and amounts due to related parties carried at amortized cost are considered a reasonable approximation of their fair values due to the relatively short period to maturity of these financial instruments.

Financial risk management

The Company's financial risks arising from its financial instruments are credit risk, liquidity risk, and interest rate risk. The Company's exposures to these risks and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

Credit risk is the risk of potential loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The credit risk of the Company is associated with its cash. The credit risk with respect to its cash is minimal as they are held with high-credit quality financial institutions. Management does not expect these counterparties to fail to meet their obligations.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at July 31, 2017, the Company had a cash balance of $116,570 to settle trade and other payables of $76,775. The Company's trade and other payables have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

As at July 31, 2017, the Company also had amounts due to related parties of $265,221 owing to companies controlled by directors and officers of the Company with no specific terms of repayment. Subsequent to July 31, 2017, the Company issued 2,065,550 common shares of the Company to settle $206,550 due to the President of the Company.

At present, the Company's operations do not generate positive cash flows. The Company's primary source of funding has been the issuance of equity securities through private placements and the exercise of stock options and warrants. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Current financial assets and financial liabilities are generally not exposed to interest rate risk because of their short-term maturity.

RISKS AND UNCERTAINTIES

Exploration of mineral properties involves a high degree of risk and the successful achievement of a profitable operation cannot be assured. Costs of finding and evaluating an ore body are substantial, and may take several years to complete. The Company must overcome many risks associated with an early stage exploration property. Specific items include, but are not limited to, identification and quantification of a commercially viable ore body, confirmation of the Company's interest in the underlying claims and leases, completion of a feasibility study, funding of all costs related to a commercial operating venture, completion of the permitting process, detailed engineering and the procurement of a processing plant, and constructing a facility to support the property. Construction and operational risks including, but not limited to, equipment and plant performance, metallurgical, environmental, cost estimation accuracy, and workforce performance and dependability will all affect the profitability of an operating property.

External financing, primarily through the issuance of common shares will be required to fund its activities. There can be no assurance that it will be able to do so in the future.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

Future changes in accounting standards

There were no new standards effective August 1, 2016 that had an impact on the Company's financial statements. A number of new standards and amendments to existing standards have been issued by the IASB that are mandatory for accounting periods beginning on or after January 1, 2018, or later periods. The Company has not applied these new standards in preparing these financial statements. The following pronouncements are considered by the Company to be the most significant of several pronouncements that may affect the financial statements in future periods.

- New standard IFRS 9 *Financial Instruments* ("IFRS 9") has been issued by IASB to replace IAS 39 *Financial Instruments: Recognition and Measurement*. IFRS 9 has two measurement categories: amortized cost and fair value. The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018.

- New standard IFRS 15 *Revenue from Contracts with Customers* ("IFRS 15") has been issued by IASB to replace IAS 18 *Revenue* and IAS 11 *Construction Contracts*. This new standard sets out the requirements for recognizing and disclosing revenues that apply to all contracts with customers. The effective date of IFRS 15 is for annual periods beginning on or after January 1, 2018.

- New standard IFRS 16 *Leases* ("IFRS 16") has been issued by IASB to replace IAS 17 *Leases*. This new standard sets out the requirements for recognizing and disclosing leases. The objective is to ensure that lessees and lessors provide relevant information that faithfully represents the transactions. The effective date of IFRS 16 is for annual periods beginning on or after January 1, 2019.

The Company is currently assessing the impact that these new standards will have on its financial statements and whether to early adopt any of the new standards.

ADDITIONAL INFORMATION

Additional information is available concerning the Company and its operations on SEDAR at www.sedar.com and on the Company web site at www.quadroresources.ca .

APPROVAL

The Board of Directors of Quadro Resources Ltd. has approved the contents of this MD&A on November 24, 2017. A copy of this MD&A together with the audited financial statements for the year ended July 31, 2017 will be provided to anyone who requests it.