

GENESIS METALS CORP.

(Formerly Entourage Metals Ltd.)

MANAGEMENT DISCUSSION AND ANALYSIS

**For the nine months ended December 31, 2016
and containing information up to and including February 28, 2017**

Form 51-102F1

Management Discussion and Analysis

For

Genesis Metals Corp. (“Genesis” or the “Company”)

CONTAINING INFORMATION UP TO AND INCLUDING FEBRUARY 28, 2017

NOTICE

This Management Discussion and Analysis (“MD&A”) is intended to help the reader understand the consolidated financial statements of Genesis Metals Corp. (“Genesis” or the “Company”). The information provided herein should be read in conjunction with the condensed interim consolidated financial statements for the period ended December 31, 2016. The following comments may contain management estimates of anticipated future trends, activities or results. These are not a guarantee of future performance, since actual results could change based on other factors and variables beyond management control.

Management is responsible for the preparation and integrity of the condensed interim consolidated financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that the information used internally or disclosed externally, including the condensed interim consolidated financial statements and MD&A, is complete and reliable. The Company’s board of directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The board’s audit committee meets with management quarterly to review the consolidated financial statements including the MD&A and to discuss other financial, operating and internal control matters.

The reader is encouraged to review Company statutory filings on www.sedar.com and to review general corporate information.

All currency amounts are expressed in Canadian dollars unless otherwise noted.

FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking statements and forward-looking information (collectively, “forward-looking statements”) within the meaning of applicable Canadian securities legislation. These statements relate to future events or the future activities or performance of the Company. All statements, other than statements of historical fact are forward-looking statements. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. These forward looking statements include, but are not limited to, statements concerning:

- the Company’s strategies and objectives, both generally and in respect of its specific mineral properties;
- the timing of decisions regarding the strategy and costs of exploration programs with respect to, and the issuance of the necessary permits and authorizations required for, the Company’s exploration programs;
- the timing and cost of planned exploration programs of the Company, and the timing of the receipt of results there from;
- the Company’s future cash requirements;
- general business and economic conditions;
- the Company’s ability to meet its financial obligations as they come due, and to be able to raise the necessary funds to continue operations;
- the timing and pricing of proposed financings if applicable;
- the anticipated completion of financings;

- the anticipated receipt of regulatory approval/acceptance of financings;
- the anticipated use of the proceeds from the financings;
- the potential to verify and potentially expand upon the historical resources;
- the potential for the expansion of the known mineralized zones;
- the potential for the amenability of mineralization to respond to proven technologies and methods for recovery of ore;

Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Inherent in forward-looking statements are risks and uncertainties beyond the Company's ability to predict or control, including, but not limited to, risks related to the Company's inability to negotiate successfully for the acquisition of interests in mineral properties, the determination of applicable governmental agencies not to issue the exploration concessions applied for by the Company or excessive delay by the applicable governmental agencies in connection with any such issuances, the Company's inability to identify one or more economic deposits on its properties, variations in the nature, quality and quantity of any mineral deposits that may be located, the Company's inability to obtain any necessary permits, consents or authorizations required for its activities, to produce minerals from its properties successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies, and other risks identified herein under "Risk Factors".

The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results are likely to differ, and may differ materially, from those expressed or implied by forward looking statements contained in this MD&A. Such statements are based on a number of assumptions which may prove incorrect, including, but not limited to, assumptions about:

- the level and volatility of the prices for precious metals;
- general business and economic conditions;
- the timing of the receipt of regulatory and governmental approvals, permits and authorizations necessary to implement and carry on the Company's planned exploration programs;
- conditions in the financial markets generally, and with respect to the prospects for junior exploration precious metal companies specifically;
- the Company's ability to secure the necessary consulting, drilling and related services and supplies on favorable terms;
- the Company's ability to attract and retain key staff, and to retain consultants to provide the specialized information and skills involved in understanding the precious metal exploration, mining, processing and marketing businesses;
- the nature and location of the Company's mineral exploration projects, and the timing of the ability to commence and complete the planned exploration programs;
- the anticipated terms of the consents, permits and authorizations necessary to carry out the planned exploration programs and the Company's ability to comply with such terms on a cost-effective basis;
- the ongoing relations of the Company with government agencies and regulators and its underlying property vendors/options; and
- that the metallurgy and recovery characteristics of samples from certain of the Company's mineral properties are reflective of the deposit as a whole.

These forward-looking statements are made as of the date hereof and the Company does not intend and does not assume any obligation, to update these forward looking statements, except as required by applicable law. For the reasons set forth above, investors should not attribute undue certainty to or place undue reliance on forward-looking statements.

Historical results of operations and trends that may be inferred from the following discussion and analysis may not necessarily indicate future results from operations. In particular, the current state of the global securities markets may cause significant

reductions in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to continue operations. See "Risk Factors – Insufficient Financial Resources/Share Price Volatility".

COMPANY OVERVIEW AND OVERALL PERFORMANCE

The Company is a mineral exploration company involved in the acquisition and assessment of mineral properties in Canada. The Company does not have any producing mineral properties at this time. The Company is a reporting issuer in British Columbia, Alberta, Ontario, the Yukon Territory and the Northwest Territories and trades on the TSX Venture Exchange under the symbol GIS.

Highlights of the Company's activities for the nine months ended December 31, 2016 and subsequent period to February 28, 2017 are as follows:

- On April 8, 2016, the Company issued 1,356,000 common shares at \$0.125 per share to settle \$169,500 in debt.
- On June 15, 2016, the Company completed a non-brokered private placement of 1,425,000 units at \$0.20 per unit for gross proceeds of \$285,000. Each unit comprises one common share and one-half of one share purchase warrant, with each whole warrant exercisable into one additional common share at a price of \$0.30 for a period of two years. The Company also issued 1,250,000 flow-through shares at \$0.20 per share for gross proceeds of \$250,000. Finder's fees of \$21,600 were paid in cash and 108,000 finder's warrants were issued. Each finder's warrant entitles the holder to purchase one common share at \$0.30 per share for a period of two years.
- On July 2, 2016, the Company amended its option agreement on the October Gold property. The \$50,000 cash and 333,333 share payments were amended to \$30,000 (paid) and 453,331 common shares (issued), respectively.
- On July 27, 2016, the Company granted 3,700,000 incentive stock options exercisable at \$0.22 per share for a period of five years vesting immediately.
- During the nine months ended December 31, 2016, 852,777 warrants were exercised for gross proceeds of \$118,125.
- During the nine months ended December 31, 2016, 540,478 warrants expired unexercised.
- During the nine months ended December 31, 2016, 383,707 stock options were forfeited.
- On January 19, 2017, the Company granted 300,000 stock options to consultants exercisable at \$0.20 for five years, vesting immediately.
- On February 1, 2017, the Company entered into a property purchase and sale agreement to acquire a 100% interest in the Hygrade property from Les Ressources Tectonic Inc. ("Tectonic"). Subject to regulatory approval, Genesis will acquire an undivided 100% interest in the Property by:
 - making a cash payment to Tectonic of C\$25,000 (paid);
 - issuing 166,666 common shares of Genesis to Tectonic (issued); and
 - granting a 2% net smelter royalty to Tectonic, which royalty may be decreased to 1% at any time by paying Tectonic the sum of C\$1,500,000 on the third business day following receipt of TSX Venture Exchange approval.
- On February 14, 2017, the Company closed a non-brokered private placement of 4,400,000 units at \$0.15 per unit for gross proceeds of \$660,000. Each unit in the private placement comprises one common share and one-half of one share purchase warrant, with each whole warrant exercisable into one additional common share at \$0.25 for a period of two years. Finder's fees of \$19,604 were paid in cash and 130,695 finder's warrants were issued. Each finder's warrant entitles the holder to purchase one common share at \$0.25 per share for a period of two years.
- Subsequent to period end, 172,220 warrants were exercised for gross proceeds of \$20,625.
- Subsequent to period end, 261,667 warrants expired unexercised.

The Company's objective is to undertake mineral exploration on properties assessed to be of merit and to define resources. Metals being targeted are precious metals with a focus on gold.

The Company will carry out exploration on its mineral properties with particular emphasis on geophysics and drilling to delineate new gold discoveries. The Company expects to obtain financing in the future primarily through further equity financing.

The Company's net loss for the nine months ended December 31, 2016, totaled \$1,836,037 (2015 - \$392,767), a loss of \$0.05 (2015 - \$0.03) per share. Total assets were \$2,045,930 as at December 31, 2016 (March 31, 2016 - \$2,279,867). The Company's cash and cash equivalents was \$614,756 as at December 31, 2016 (March 31, 2016 - \$1,122,979).

The Company expenses all exploration and evaluation expenditures as incurred. Acquisition costs, including option payments, are capitalized to individual properties until the property to which those costs are related is placed into production, sold, or abandoned. The decision to abandon a property is largely determined from exploration results and the amount and timing of the Company's write-offs of capitalized mineral property costs will vary in a fiscal period from one year to the next and typically cannot be predicted in advance. The carrying value of the mineral properties was \$1,242,915 as at December 31, 2016 (March 31, 2016 - \$1,096,197).

RESULT OF OPERATIONS

The following analysis discusses the variations in the Company's results but, as with most junior mineral exploration companies, the results of operations (including net losses) are not the main factor in establishing the financial health of the Company. Of additional significance are the exploration and evaluation assets in which the Company has, or may earn an interest, its working capital and how many shares it has outstanding. The variations seen over the years are primarily a result of the level of activity of the Company's ongoing property evaluation program and the timing and results of the Company's exploration activities on its then current properties. There are no general trends regarding the Company's annual results, and the Company's business of mineral exploration is not currently seasonal, as it can work on the Ontario properties year round. Results can vary significantly depending on whether the Company has abandoned any properties or granted any stock options and these are the factors that account for material variations in the Company's net losses, none of which are predictable. The write-off of exploration and evaluation assets can also have a material effect on results as and when they occur. General operating costs other than the specific items noted below tend to be quite similar from period to period.

Three months ended December 31, 2016 compared with the three months ended December 31, 2015

The Company's net loss for the three months ended December 31, 2016 totaled \$370,584 (2015 - \$208,220) or \$0.01 (2015 - \$0.01) per share.

Total operating expenses for the three months ended December 31, 2016 were \$370,584 (2015 - \$208,220), comprised of the following significant items:

- Accounting and audit fees of \$12,000 (2015 - \$4,500); higher fees were incurred compared to the prior comparative period due to increased operations.
- Consulting fees of \$21,000 (2015 - \$40,500); the decrease is due to higher fees in the prior comparative period relating to the Tawsho acquisition.
- Director fees of \$21,000 (2015 - \$nil); the increase is due to the implementation of director fees in March 2016 accrued to directors, approved by the compensation committee.
- Geological exploration costs of \$115,422 (2015 - \$50,135); the increase is due to costs incurred on the exploration program for the Chevrier property acquired in March 2016.

- Investor relations of \$86,022 (2015 – \$57,771); the increase is due to advertising and conferences fees, as well as fees paid to consultants to promote the Company and its projects.
- Professional fees of \$1,918 (2015 - \$13,900); the decrease is due to fees incurred in the prior comparative period relating to the due diligence for the Tawsho acquisition.
- Salaries and employee benefits of \$78,750 (2015 - \$16,875); the increase is due to higher monthly fees charged by management as a result of increased operations.
- Travel expenses of \$13,440 (2015 - \$1,844); the increase is due to travelling to the Chevrier property and for mining conferences to promote the Company and its projects.

Nine months ended December 31, 2016 compared with the nine months ended December 31, 2015

The Company's net loss for the nine months ended December 31, 2016 totaled \$1,836,037 (2015 - \$392,767) or \$0.05 (2015 - \$0.03) per share.

Total operating expenses were \$1,836,037 (2015 - \$405,692), comprised of the following significant items:

- Accounting and audit fees of \$42,050 (2015 - \$11,820); higher fees were incurred compared to the prior comparative period due to increased operations.
- Consulting fees of \$46,000 (2015 - \$105,565); the decrease is due to higher fees in the prior comparative period relating to the Tawsho acquisition.
- Director fees of \$63,000 (2015 - \$nil); the increase is due to the implementation of director fees in March 2016 accrued to directors, approved by the compensation committee.
- Geological exploration costs of \$368,959 (2015 - \$81,061); the increase is due to costs incurred on the exploration program for the Chevrier property acquired in March 2016.
- Investor relations of \$279,126 (2015 – \$77,913); the increase is due to advertising and conferences fees, as well as fees paid to consultants to promote the Company and its projects.
- Salaries and employee benefits of \$213,000 (2015 - \$53,125); the increase is due to higher monthly fees charged by management as a result of increased operations.
- Share-based compensation of \$722,471 (2015 - \$6,132); the increase is due to the fair value of 3,700,000 stock options granted in the current quarter which vested immediately upon grant.
- Travel expenses of \$25,409 (2015 - \$4,299); the increase is due to travelling to the Chevrier property and for mining conferences to promote the Company and its projects.

Summary of Quarterly Results

	Quarter Ended Dec 31, 2016	Quarter Ended Sep 30, 2016	Quarter Ended Jun 30, 2016	Quarter Ended Mar 31, 2016
Net Loss	\$370,584	\$1,145,591	\$319,862	\$463,787
Net Loss per Share (Basic and Diluted)	\$0.01	\$0.03	\$0.01	\$0.01
Total Assets	\$2,045,930	\$2,103,784	\$2,353,466	\$2,279,867
Number of shares outstanding	41,159,604	40,976,270	39,853,496	35,822,496

	Quarter Ended Dec 31, 2015	Quarter Ended Sep 30, 2015	Quarter Ended Jun 30, 2015	Quarter Ended Mar 31, 2015
Net Loss	\$208,220	\$119,026	\$65,521	\$344,055
Net Loss per Share (Basic and Diluted)	\$0.01	\$0.01	\$0.01	\$0.04
Total Assets	\$256,468	\$238,549	\$271,835	\$180,386
Number of shares outstanding	9,810,000	9,785,000	9,507,083	8,638,333

Mineral Property Acquisition, Exploration and Evaluation Expenditures

	Quarter Ended Dec 31, 2016	Quarter Ended Sep 30, 2016	Quarter Ended Jun 30, 2016	Quarter Ended Mar 31, 2016
Smoke Lake / Black Raven	Nil	Nil	Nil	Nil
October Gold	Nil	107,083	30,000	Nil
Chevrier Gold	99,053	148,856	78,417	1,096,197
Other	16,368	25,371	10,528	18,983
Total	\$115,421	\$281,310	\$118,945	\$1,115,180

	Quarter Ended Dec 31, 2015	Quarter Ended Sep 30, 2015	Quarter Ended Jun 30, 2015	Quarter Ended Mar 31, 2015
Smoke Lake / Black Raven	Nil	Nil	Nil	Nil
October Gold	Nil	82,500	Nil	Nil
Chevrier Gold	Nil	Nil	Nil	Nil
Other	53,543	19,564	7,954	13,203
Total	\$53,543	\$102,064	\$7,954	\$13,203

SELECTED ANNUAL INFORMATION

	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014
Total Revenue	Nil	Nil	Nil
Comprehensive Loss for the Year	(852,254)	(610,861)	(1,315,918)
Loss per Share – Basic and Diluted	(0.08)	(0.09)	(0.23)
Total Assets	2,279,867	180,386	448,414
Total Long-Term Financial Liabilities	Nil	Nil	Nil

LIQUIDITY

The Company's ability to meet its obligations and its ability to finance exploration and development activities depends on its ability to raise cash through the issuance of common shares pursuant to private placements, the exercise of warrants and stock options. Capital markets may not always be receptive to offerings of new equity from treasury or debt, whether by way of private placements or public offerings. This may be further complicated by the limited liquidity for the Company's shares, restricting access to some institutional investors. The Company's growth and success is dependent on additional external sources of financing which may not be available on acceptable terms, particularly in the current economic environment that is unfavorable to exploration companies.

The Company's working capital as at December 31, 2016 was \$449,141 (March 31, 2016 - \$726,337).

Cash Used in Operating Activities

Cash used in operating activities during the nine months ended December 31, 2016, was \$1,172,580 (2015 - \$216,414), including \$61,526 (2015 - \$168,970) of changes in working capital.

Cash Provided by Investing Activities

Cash used for investing activities during the nine months ended December 31, 2016 was \$65,319 (2015 – cash generated \$23,425) for exploration and evaluation asset payments and the purchase of equipment; in the prior period, the Company received proceeds from the sale of marketable securities.

Cash Provided by Financing Activities

Cash generated from financing activities during the nine months ended December 31, 2016 was \$729,676 (2015 - \$173,875) resulting from the exercise of warrants and shares issued in private placements, net of share issuance costs.

Requirement of Additional Equity Financing

The Company principal activity is exploration for minerals and the definition by drilling of potentially economic resources. The recoverability of the amounts shown for mineral properties is ultimately dependent upon the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the mineral properties, obtaining necessary financing to explore and develop the mineral properties, entering into agreements with others to explore and develop the mineral properties, and upon future profitable production or proceeds from disposition of the mineral properties. The amounts shown as mineral properties represent acquisition costs incurred to date, less amounts recovered from third parties and impairment charges, and do not necessarily represent present or future values.

The Company has no operating revenue and has a history of losses. In addition, the Company has exploration expenditure commitments on its remaining properties as disclosed in note 4 of the financial statements. The ability of the Company to carry out its planned business objectives is dependent on its ability to raise adequate financing from lenders, shareholders and other investors and/or generate operating profits and positive cash flows.

In order to finance the Company's exploration programs and to cover administrative and overhead expenses, the Company raises money through equity sales. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience and caliber of its management. The Company is pursuing interim financing to meet its current obligations and may also be required to extend expenditure requirements on its properties.

CAPITAL RESOURCES

As at December 31, 2016, the Company's share capital was \$13,245,328 (March 31, 2016 - \$12,342,649) representing 41,159,604 (March 31, 2016 - 35,822,496) issued and outstanding common shares without par value, with \$7,300 subscriptions receivable (March 31, 2016 - \$8,300) and an additional \$100,000 subscriptions received for the private placement closed in February 2017. Share-based payments reserve was \$2,374,744 (March 31, 2016 - \$1,650,243). The deficit was \$13,998,095 as at December 31, 2016 (March 31, 2016 - \$12,162,058). Accordingly, net assets was \$1,714,677 as at December 31, 2016 (March 31, 2016 - \$1,822,534).

EXPLORATION OVERVIEW

Chevrier, Quebec

The Chevrier property is located some 35 km to the south of Chibougamau, Quebec, and is covered by NTS (National Topographic System) Sheets 32G09 and 32G10 (Figure 3.1). The property consists of 557 mostly contiguous claims, for a total of 9,542 hectares located in Haüy, Queylus, Fancamp and La Dauversière Townships, Province of Quebec. The property is centered near the junction of these four townships. The Company holds 100% interest in 515 of the 557 claims. A portion of the property is over two lakes. The claims give the holder an exclusive right to search for mineral substances in the public domain, except sand, gravel, clay and other loose deposits, on the land subjected to the claims.

The property has an irregular shape, with the main corners of the outside perimeter located, from the northeast and clockwise, at UTM coordinates listed in Table 3.1.

Table 3.1 –Location of Main Points of the Perimeter

Easting	Northing
542694	5504518
544380	5501499
531942	5489620
529819	5489608
531590	5495407
533075	5501401
536062	5504470

For easier reference, the Chevrier property has been divided into two sectors. The Diana block is located in the Southwestern quarter of the Queylus Township. The contiguous Diana-Obatogamau, Fancamp, Haufan, and Dolbo blocks are predominantly located in the Northeast sector of the Fancamp Township, with a few claims in the Southern half of the Haüy Township. The blocks of claims encountered, from Northeast to Southwest (Figure 3.2) are described as follows:

- Diana block: consists of 69 claims covering an area of 1,104 hectares in Queylus Township. This block was held by Géonova (100%) with a royalty of 7.5% of the Net Proceeds of Production retained by Resources Diana Ltd;
- Diana-Obatogamau block: was 100% held by Géonova who had acquired it from INMET. This block consists of 82 claims covering an area of 1,312 hectares in the Fancamp and Haüy townships. Resources Diana Ltd, the original owner, still holds a royalty of 10% of the Net Profits of Production. Peter Smith and Charles Robbins hold each a 0.5% royalty of the Net Smelter Returns. These original contractual agreements are still in effect;
- Fancamp block: consists of 17 claims covering an area of 264 hectares in Fancamp Township. Géonova held 100% of this block and Fancamp Resources Inc. still holds a royalty of 10% of the Net Profits of Production;
- Haufan block: was held at 100% by Géonova, except for claim CL 5041860 which was held jointly by Géonova (10%) and Inmet (90%). The Haufan block consists of 30 claims located in the Fancamp Township and covers an area of 477 hectares;
- Dolbo block: consists of 41 claims covering an area of 656 hectares in Fancamp Township. This block was jointly held by Géonova (63.83%) and LamGold- Quebec (36.17%); the Company believes that Tawsho Mining had incurred sufficient expenditures, as outlined in the option agreement between Geonova and Inmet, to enable the Company to vest at 100% interest in these claims. Expenditure summaries will be reviewed in the coming year to verify the incurred expenditures.
- Other: the remaining 318 claims are located in between and around those blocks and cover an area of 5,490 hectares in the four townships mentioned before.

The Chevrier and Chevrier South deposits are located in the west-central sector of the property. There are no known tailings ponds or waste dump on the property, as no production has ever taken place.

On November 17, 2016, the Company announced results from the first phase of its 2016 exploration program. Assay highlights include:

- 6.82 g/t Au/4.7 m, including 17.70 g/t Au/1 m in Trench 7

- 4.59 g/t Au/6.4 m, including 7.43 g/t Au/1.3 m and 5.47 g/t Au/3.2 m in Trench 7
- 5.22 g/t Au/4.25 m, including 6.56 g/t Au/2.1 m in Trench 7
- 5.08 g/t Au/4.65 m, including 1.80 g/t Au/1.65 m in Trench 7
- 5.41 g/t Au/3.35 m, including 12.55 g/t Au/1.4 m in Trench 1
- 5.50 g/t Au/1 m in Trench 4

The results are from the re-sampling of three existing trenches (T-1, T4 and T-7) that were completed by Geonova during the period 1996 to 2002. The Company located these trenches and dewatered and cleaned the bedrock surfaces prior to collecting new channel samples. Channel samples were obtained by completing two parallel cuts, approximately five centimetres apart within the bedrock, for up to several metres across the strike of the geology. The resulting narrow slices of rock are removed from the bedrock surface. In the case of each trench, new channels were cut in close proximity and parallel to those completed by Geonova.

In December 2016, the Company announced further assay results from re-sampling of drill core from programs previously conducted by companies between 1989 to 2008 and new trench sampling results. Assay highlights include:

- 6.83 g/t Au / 5.4 m including 11.08 g/t Au / 3.4 m and 17.97 g/t Au / 0.65 m in Hole FA-51
- 3.02 g/t Au / 12.3 m including 6.67 g/t Au / 1.5 m in Hole DO-43
- 2.46 g/t Au / 14 m including 4.56 g/t Au / 3.5 m in Hole DO-43
- 2.38 g/t Au / 9.2 m including 4.01 g/t Au / 1.1 m in Hole DO-20
- 2.77 g/t Au / 23 m including 7.28 g/t Au / 2.1 m in hole GFA-171
- 3.65 g/t Au / 9.0 m including 6.73 g/t Au / 2 m in hole GDA-158
- 1.58 g/t Au / 18.5 m including 3.12 g/t Au/1.5 m in hole GDO-161
- 5.15 g/t Au/2.6 m including 7.15 g/t Au/0.9 m in hole GFA-172

For additional information on the results, refer to the news release on the Company's website at www.genesismetalscorp.com.

October Gold, Ontario

On July 2, 2016, the Company amended the cash and share payment for the October Gold option agreement due on April 12, 2016 from \$50,000 to \$30,000 (paid) and 333,333 to 453,331 common shares (issued) as detailed in note 4 of the condensed interim consolidated financial statements. The Company expects to continue exploration work when market conditions improve.

Qualified Person and QA/QC

Mineral exploration at all of the Company's mineral properties is performed under the supervision of Andre Liboiron, P.Geo, Exploration Manager for the Company; a Qualified Person as defined by NI 43-101. Drill cores are cut in half using a diamond saw, with one-half placed in sealed bags, and delivered to the AGAT Laboratories sample preparation facility in Mississauga, Ontario. Sample quality control/quality assurance programs were implemented on all programs.

RISK FACTORS

The Company is in the business of acquiring, exploring and, if warranted, developing and exploiting natural resource properties. A number of risk factors will apply due to the nature of the Company's proposed business and the present stage of exploration of its mineral properties (which are primarily early stage exploration properties with no known resources or reserves); refer to the Company's annual management discussion and analysis for the year ended March 31, 2016.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements as at December 31, 2016 and to the date of this MD&A.

PROPOSED TRANSACTIONS

There were no proposed transactions as at December 31, 2016 and to the date of this MD&A.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's general and administrative expenses and resource property costs is provided in the Company's Statements of Comprehensive Loss contained in its condensed interim consolidated financial statements for the period ended December 31, 2016 that is available on the Company's website at <http://www.genesismetalscorp.com/> or on its SEDAR Page Site accessed through www.sedar.com.

OUTSTANDING SHARE DATA

The Company's authorized capital is unlimited common shares without par value and unlimited preferred shares without par value. As at February 28, 2017, the following common shares, options and share purchase warrants were outstanding:

	# of Shares	Exercise Price	Expiry Date
Issued and Outstanding Common Shares	45,898,490		
Stock Options	200,000	\$ 0.23	August 5, 2024
	3,700,000	\$ 0.22	July 27, 2021
Warrants	232,167	\$ 0.20	March 26, 2017
	12,223	\$ 0.20	April 25, 2017
	59,555	\$ 0.20	June 6, 2017
	94,777	\$ 0.20	September 24, 2017
	205,167	\$ 0.20	September 27, 2017
	18,333	\$ 0.20	October 30, 2017
	5,075,000	\$ 0.20	March 21, 2018
	650,400	\$ 0.20	March 21, 2018
	735,248	\$ 0.22	May 11, 2017
	183,812	\$ 0.22	June 11, 2017
	712,500	\$ 0.30	June 15, 2018
	108,000	\$ 0.30	June 15, 2018
	130,695	\$ 0.25	February 14, 2019
	2,200,003	\$ 0.25	February 14, 2019
Fully Diluted	60,216,370		

TRANSACTIONS WITH RELATED PARTIES

The Company has entered into certain transactions with related parties during the nine months ended December 31, 2016 and to the date of this MD&A. All transactions with related parties have occurred in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed upon by the related parties.

(a) Transactions:

The Company paid or accrued the following amounts to key management personnel or companies controlled by them:

	Nine months December 31, 2016	Nine months December 31, 2015
Consulting fees and salaries to key management personnel or companies controlled by key management personnel	\$ 228,600	\$ 126,000
Consulting fees to a relative of a director	12,000	-
Director fees	63,000	-
Share-based payments to directors and officers	527,208	6,132
	\$ 830,808	\$ 132,132

During the nine months ended December 31, 2016, payments to companies with common directors and officers for office and administration costs totalled \$11,340 (2015 - \$5,115).

(b) Due to related parties:

	December 31, 2016	March 31, 2016
Consulting fees and salaries to key management personnel or companies controlled by key management personnel	\$ 56,862	\$ 76,611
Consulting fees to a relative of a director	12,000	-
Director fees	61,000	7,000
Office, administration, and consulting costs to a company jointly controlled by two directors	-	5,120
Expense reimbursements to related parties	288	1,052
	\$ 130,150	\$ 89,783

In April 2016, 440,000 common shares were issued at \$0.125 per share to settle \$55,000 of related party payables.

Amounts due to related parties are unsecured, have no fixed repayments and are non-interest bearing.

COMMITMENTS

The Company is also required to fulfill annual work commitments under option agreements for the October Gold properties in order to keep them in good standing.

Other than the above, the Company does not have any commitments as at December 31, 2016 and to the date of this MD&A.

ACCOUNTING POLICIES AND ESTIMATES

Significant judgments are used in the Company's assessment of its ability to continue as a going concern which is described in note 1 of the financial statements. Significant accounting estimates are used in the determination of fair value and value in use for purposes of the recoverability of the carrying value of mineral properties, determination of reclamation obligations, valuation of share-based payments, and the valuation of deferred income taxes. These estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control. Actual results may differ from these estimates.

Impairment

At the end of each reporting period the carrying amounts of the Company's long lived assets, including mineral property interests, are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Share-based Payments

The factors affecting share-based payments include estimates of when stock options might be exercised and the stock price volatility. The timing for exercise of options is out of the Company's control and will depend, among other things, upon a variety of factors including the market value of Company shares and financial objectives of the holders of the options. The Company has used historical data to determine volatility in accordance with Black-Scholes modeling, however future volatility is inherently uncertain and the model has its limitations. While these estimates can have a material impact on the share-based payments and hence, results of operations, there is no impact on the Company's financial condition or liquidity.

New Standards Not Yet Adopted

Standards and interpretations issued but not yet effective applicable to the Company:

- IFRS 9, Financial Instruments
- IAS 12, Income Taxes

Refer to the financial statements for a description of these standards. The Company is evaluating the impact that these standards will have on the financial statements.

FINANCIAL INSTRUMENTS AND MANAGEMENT OF CAPITAL

IFRS 7, Financial Instruments: Disclosures ("IFRS 7") establishes a fair value hierarchy that prioritizes the inputs to the valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- Level 2: Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.
- Level 3: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The carrying values of cash, accounts payable and accrued liabilities and due to related parties approximate their fair values due to their short terms to maturity.

Credit risk

Credit risk arises from the possibility that counterparties may be unable to fulfill their commitments to the Company. The Company's credit risk is primarily attributable to its liquid financial assets of cash and cash equivalents. The carrying value of

these instruments represents the Company's maximum exposure to credit risk. The Company manages and limits exposure to credit risk by maintaining its cash with high-credit quality financial institutions.

Liquidity risk

Liquidity risk is the risk that the Company cannot meet its financial obligations associated with financial liabilities in full. The Company manages liquidity risk through the management of its capital structure, as outlined in note 11 of the financial statements, available on SEDAR.

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 Company's interest bearing financial assets are comprised of cash and cash equivalents, which bear interest at fixed or variable rates.

RECENT DEVELOPMENTS AND OUTLOOK

The Company expects to obtain financing in the future primarily through further equity and/or debt financing, as well as through joint venturing and/or optioning out the Company's properties to qualified mineral exploration companies. There can be no assurance that the Company will succeed in obtaining additional financing, now or in the future. Failure to raise additional financing on a timely basis could cause the Company to suspend its operation and eventually to forfeit or sell its interest in its mineral properties.

APPROVAL

The Board of Directors of Entourage has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

ADDITIONAL INFORMATION

Additional information relating to Genesis is on SEDAR at www.sedar.com and the Company's website <http://www.genesismetalscorp.com/>.

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Adrian Fleming, P. Geo
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Keenan Hohol, J.D.
Independent Director

Robert Scott, CPA, CA, CFA
Independent Director

LISTINGS

TSX Venture Exchange: **GIS**

CAPITALIZATION
(as at December 31, 2016)

Shares Authorized: Unlimited
Shares Issued: 41,159,604

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