GRIZZLY DISCOVERIES INC.

(the "**Company**" or "**Grizzly**")

FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS ("MD&A")
FOR THE THREE AND NINE MONTHS ENDED APRIL 30, 2015 and 2014

The following MD&A, approved by the Audit Committee of the Board of Directors of the Company on June 29, 2015 should be read together with the interim condensed consolidated financial statements of the Company for the three and nine months ended April 30, 2015 prepared in accordance with International Accounting Standard 34 – *Interim financial reporting* ("**IAS 32**"), and the consolidated financial statements for the year ended July 31, 2014 and the notes thereto (the "Financial Statements") prepared in accordance with International Financial Reporting Standards ("**IFRS**"). All amounts are stated in Canadian dollars unless otherwise indicated.

Forward Looking Statements

Forward-looking statements look into the future and provide an opinion as to the effect of certain events and trends on the business. Certain statements contained in this MD&A constitute forward-looking statements. The use of any words such as "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors.

It is important to note that:

- Unless otherwise indicated, forward-looking statements in this MD&A describe the Company's expectations as of the date of this MD&A.

- Readers are cautioned not to place undue reliance on these statements as the Company's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. Therefore, the Company cannot provide any assurance that forward-looking statements will materialize.

- 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 except as required by law.

For a description of material factors that could cause the Company's actual results to differ materially from the forward-looking statements in this MD&A, please see "Mining Risks" and "Business Risks".

Description of Business

Grizzly Discoveries Inc. is an early stage multiple commodity exploration company engaged in the acquisition, exploration and development of potash and diamonds on properties in Alberta and precious metals on properties in British Columbia.

Grizzly is a reporting issuer in Alberta, and trades on the TSX Venture Exchange under the symbol GZD, on the Frankfurt Stock Exchange under the symbol G6H - WKN-A0F464, and on the OTCQX International Tier under the symbol GZDIF.

Overall Performance

The Company has no operating revenue to date; the only cash income earned is from interest on deposits. The Company relies on the issuance of common shares to finance exploration and to provide working capital. The majority of the Company's financial assets are expended in the acquisition and exploration of its mineral properties, which is reflected in the Company's consolidated financial statements as an increase in mineral properties on the consolidated statement of financial position.

Additions to the capitalized balance of the Company's mineral properties in the current and comparative periods are detailed in the following tables:

	Alberta Diamond Properties	Alberta Potash Properties	BC Precious Metals Properties	Total
	$	$	$	$
Balance, July 31, 2013	1	2,830,609	8,520,183	11,350,793
Acquisition and land use	-	8,832	6,102	14,934
Fieldwork and geological consulting	-	4,971	42,870	47,841
Drilling and related	-	12,021	-	12,021
Evaluation and reporting	-	-	51,380	51,380
Mineral tax credit	-	-	(21,975)	(21,975)
Balance, April 30, 2014	**1**	**2,856,433**	**8,598,560**	**11,454,994**
Balance, July 31, 2014	1	2,860,948	8,238,584	11,099,533
Acquisition and land use	1,281	11,099	9,185	21,565
Fieldwork and geological consulting	2,318	3,195	36,024	41,537
Drilling and related	-	3,493	-	3,493
Mineral tax credit	-	-	(10,807)	(10,807)
Impairment	(3,599)	-	(9,827)	(13,426)
Balance, April 30, 2015	**1**	**2,878,735**	**8,263,159**	**11,141,895**

Selected Annual Information

The following table summarizes audited financial data for annual operations reported by the Company for the three most recently completed financial years.

For the year ended	July 31, 2014	July 31, 2013	July 31, 2012
Total assets ($)	11,584,362	12,296,087	12,691,968
Mineral properties ($)	11,099,533	11,350,793	10,777,285
Current liabilities ($)	45,797	70,259	184,883
Interest income ($)	11,297	5,560	38,180
Net loss ($)	694,244	660,369	5,442,384
Basic and diluted loss per common share ($)	0.01	0.01	0.11
Weighted average number of common shares outstanding	48,725,268	48,725,268	48,461,813

Summary of Quarterly Results

The following table summarizes financial data reported by the Company for the most recent eight quarters:

Period ended	Apr 30, 2015	Jan 31, 2015	Oct 31, 2014	Jul 31, 2014	Apr 30, 2014	Jan 31, 2014	Oct 31, 2013	Jul 31, 2013
Net loss ($)	51,891	45,904	57,303	463,102	77,005	80,766	73,371	196,514
Basic and diluted loss per common share ($)	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00

Fluctuations in the Company's net loss are due primarily to: the recognition of share based compensation costs arising from the issuance and vesting of stock options and mineral property impairment charges. Specific variances in the current three and nine month periods compared to the comparative period are discussed below.

Results of Operations – Three Months Ended April 30, 2015

The Company incurred a net loss for the three months ended April 30, 2015 of $51,891 (2014 – $77,005). Items comprising the net loss varied in the three months ended April 30, 2015 compared to the three months ended April 30, 2014 as explained below.

General and administrative expenses incurred in the three months ended April 30, 2015 of $49,609 were lower than the comparative three month period ended April 30, 2014 of $71,697 due to the Company's continuing strategy to reduce general and administrative costs to the minimum required to maintain the Company's operations while maintaining and advancing the Company's mineral projects. A description of significant variances follows:

- Advertising and promotion costs of $4,633 (2014 - $12,468) were incurred for promotion of the Company. The Company had renewed some promotional activities in the comparative quarter which have since been minimized.

- Conferences and corporate travel expenses of $6,306 (2014 - $2,628) was significantly higher in the current quarter as the Company incurred costs to attend an annual industry and investor conference in Toronto.

- Consulting fees and benefits of $18,047 (2014 – $35,568) were paid to management, administration, and investor relations consultants, for the management, promotion, and normal business operations of the Company and were significantly lower compared to the comparative quarter due to voluntary reductions in monthly fees paid to incumbent members of management and certain consultants.

- Office and administration costs of $7,519 (2014 - $8,511) incurred for regular office costs including: office rent and supplies; insurance; computer software; and communications and internet. The Company had reduced its ongoing office costs and expects to maintain a low administrative cost structure for the foreseeable future.

- Regulatory and transfer fees of $7,473 (2014 - $7,148) were incurred to the Company's transfer agent and amortized annual listing fees paid to stock exchanges.

- Depreciation on equipment of $921 (2014 - $1,316) resulting from equipment purchased in 2011 and varies due to the use of a declining balance depreciation method.

- Professional fees of $4,710 (2014 - $4,058) were incurred for professional legal fees and corporate governance.

In the three months ended April 30, 2015, the Company recorded mineral property impairments totaling $2,646 (2014 – 2,941) in mineral property costs related to its Alberta Diamond properties in the consolidated statement of loss. These costs were incurred in the periods in which the impairments were recorded and related to properties previously impaired to a nominal value.

Offsetting the above expenses was interest income of $364 (2014 – $1,383) earned from financial institutions on the Company's cash deposits.

Results of Operations – Nine Months Ended April 30, 2015

The Company incurred a net loss for the nine months ended April 30, 2015 of $155,098 (2014 – $231,142). Items comprising the net loss varied in the nine months ended April 30, 2015 compared to the nine months ended April 30, 2014 as explained below.

General and administrative expenses incurred in the nine months ended April 30, 2015 of $143,359 were lower than the comparative nine month period ended April 30, 2014 of $232,056 due to the Company's continuing strategy to reduce general and administrative costs to the minimum required to maintain the Company's operations while maintaining and advancing the Company's mineral projects. A description of significant variances, in addition to the information related to the included three month period, follows:

- Advertising and promotion costs of $17,895 (2014 - $19,759) were incurred for promotion of the Company and increased in the current period due to a discrete marketing program in the current period to promote brand awareness.

- Conferences and corporate travel expenses of $11,000 (2014 - $17,530) was lower in the current quarter due to cost saving measures, with only high priority travel costs being authorized. The Company did not attend an industry and investor conference in the current period that was attended in the comparative.

- Consulting fees of $56,472 (2014 – $133,931) were paid to management, administration, and investor relations consultants, for the management, promotion, and normal business operations of the Company and were significantly lower compared to the comparative quarter due to voluntary reductions in monthly fees paid to incumbent members of management and certain consultants.

- Office and administration costs of $23,731 (2014 - $24,846) incurred for regular office costs including: office rent and supplies; insurance; computer software; and communications and internet. The Company had reduced its ongoing office costs and expects to maintain a low administrative cost structure for the foreseeable future.

- Regulatory and transfer fees of $24,396 (2014 - $24,801) were incurred to the Company's transfer agent and amortized annual listing fees paid to stock exchanges, as well as annual filing fees.

- Depreciation on equipment of $2,763 (2014 - $3,948) resulting from equipment purchased in 2011 and varies due to the use of a declining balance depreciation method.

- Professional fees of $7,102 (2013 - $7,241) were incurred for professional accounting and legal fees and corporate governance.

The Company recorded share based compensation expense in the amount of $312 (2014 - nil) in the period from the vesting of the final tranche of options issued to an investor relations consultant in the second quarter of the 2014 fiscal year. The valuation of stock options, as described in the consolidated financial statements for the year ended July 31, 2014, has been calculated using the Black Scholes option pricing model.

In the nine months ended April 30, 2015, the Company recorded mineral property impairments totaling $13,426 (2014 – $4,228) in mineral property costs related to its Alberta Diamond properties and its French and Silver Bear properties (included in BC Metals properties) in the consolidated statement of loss. These costs were incurred in the periods in which the impairments were recorded and related to properties previously impaired to a nominal value.

Offsetting the above expenses was interest income of $1,999 (2014 – $10,142) earned from financial institutions on the Company's cash deposits.

Financial Instruments

Financial instrument classification

Grizzly's financial instruments recognized on the consolidated balance sheets consist of cash and cash equivalents, restricted cash, accounts receivable (included in other current assets) and accounts payable and accrued liabilities.

Grizzly has designated its cash and cash equivalents and restricted cash as loans and receivables, and accordingly they are recognized on the consolidated balance sheet at amortized cost.

Accounts payable and accrued liabilities have been classified as other liabilities, and are measured at amortized cost.

The estimated fair market values of the Grizzly's financial instruments approximate their carrying values due to their short-term nature.

Purchases and sales of financial assets will be accounted for using trade-date accounting, and transaction costs on financial instruments other than those classified as held for trading will be recognized in profit and loss in the period in which they occur.

Grizzly has no unrecognized financial instruments or derivative financial instruments nor any "off-balance sheet" arrangements.

Capital management

The Company monitors its equity as capital.

Grizzly's objectives in managing its capital are to maintain a sufficient capital base to support its operations and to meet its short-term obligations and at the same time preserve investor's confidence and retain the ability to seek out and acquire new projects of merit.

Grizzly's objectives in managing its capital are: to maintain corporate and administrative functions necessary to support its operations and corporate functions; to perform mineral exploration activities on its exploration projects; and to seek out and acquire new projects of merit.

Financial Instruments

The Company is exposed to the following financial risks:

i) Market risk
ii) Credit risk
iii) Liquidity risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This section describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout the consolidated financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated.

General objectives, policies and processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure effective implementation of the objectives and policies to the Company's finance function.

The overall objective of the Board and the Company's finance function is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility and to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. Further details regarding these policies are set out below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of three types of risk: currency risk, interest rate risk, other price risk.

Currency risk

Currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company maintains a negligible United States of America Dollar ("USD") cash balance for incidental USD expenses, therefore is not exposed to a material amount of currency risk.

Interest rate risk

Interest rate risk is the risk arising from the effect of changes in prevailing interest rates on the Company's financial instruments. The Company holds no interest-bearing financial liabilities, therefore interest rate risk is limited to potential decreases on the interest rate offered on cash and cash equivalents held with its financial institution. The Company considers this risk to be minimal.

Credit risk

Credit risk is the risk of potential loss to the Company if counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash and cash equivalents.

The Company has assessed its exposure to credit risk on its cash and cash equivalents and has determined that such risk is minimal. The majority of the Company's cash and cash equivalents are held with reputable financial institutions in Canada.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company monitors its risk by monitoring the maturity dates of payables. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

To achieve this objective, the Company regularly monitors working capital positions and updates spending plans as considered necessary. Further, the Company utilizes authorizations for expenditure on exploration projects to further manage expenditures. Monthly working capital and expenditure reports are prepared by the Company's finance function and presented to management for review.

At April 30, 2015, the Company's current liabilities consisted of accounts payable and accrued liabilities of $3,601 (July 31, 2014 – $45,797) due within the subsequent fiscal quarter. The Company's cash and cash equivalents of $81,494 at April 30, 2015 (July 31, 2014 - $320,390) are sufficient to pay these current liabilities.

As at April 30, 2015, Grizzly's working capital was $205,078 (July 31, 2014 - $399,043) and has an additional outstanding obligation to conduct reclamation activities at two exploratory well sites in Alberta estimated at a discounted present value of $225,425 (July 31, 2014 - $224,793), recorded as a non-current provision in the consolidated statement of financial position. The continuing operations of the Company are dependent upon its ability to obtain adequate financing and to commence profitable operations in the future. Grizzly may have to seek additional debt or equity financing, and there can be no assurance that such financing will be available on terms acceptable to the Company.

Determination of fair value

The consolidated statement of financial position carrying amounts for cash and cash equivalents, restricted cash, and accounts payable and accrued liabilities approximate fair value due to their short-term nature. Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments.

Capital management

The Company monitors its equity as capital.

The Company's objectives in managing its capital are to maintain a sufficient capital base to support its operations and to meet its short-term obligations and at the same time preserve investors' confidence and retain the ability to seek out and acquire new projects of merit.

There were no changes since the prior year in the Company's capital management. The Company is not exposed to any externally imposed capital requirements.

Liquidity and Capital Resources

The Financial Statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company, particularly the exploration and potential development of its mineral properties, are dependent upon its ability to continue to obtain adequate financing in the future, for which there is no guarantee the Company will be successful in obtaining on terms acceptable to the Company.

At April 30, 2015 the Company had working capital of $205,078, compared to $399,043 at July 31, 2014. As of the date of this MD&A, the Company's working capital is approximately $175,000, including approximately $70,000 in unrestricted cash. Management has estimated that the Company's current working capital is sufficient to meet the Company's operating costs and other obligations, including settlement of the provision for rehabilitation, for the remaining fiscal year.

Outstanding Share Data

The following table summarizes the Company's outstanding share capital:

	June 29, 2015
Common shares outstanding	48,725,268
Stock options, weighted average $0.10, weighted average 1.3 years remaining	3,890,000
Fully diluted	**52,615,268**

Mineral Properties

The Company's primary business is the acquisition and exploration of mineral claims with the ultimate goal of defining one or more mineral resources in order to either develop for production or vend to a third party. The Company holds or has a majority interest in:

- four precious metal properties in British Columbia, including the extensive **Greenwood Project** and the **French** and **Peak** claims;

- the **Alberta Potash Project** consisting of two wholly-owned and one 50%-owned mineral claim blocks in Alberta with a current total land surface area of approximately 363,000 acres, and;

- the **Alberta Diamond Project**, covering a land area of approximately 200,000 acres, hosting diamondiferous kimberlites discovered by Grizzly in 2008.

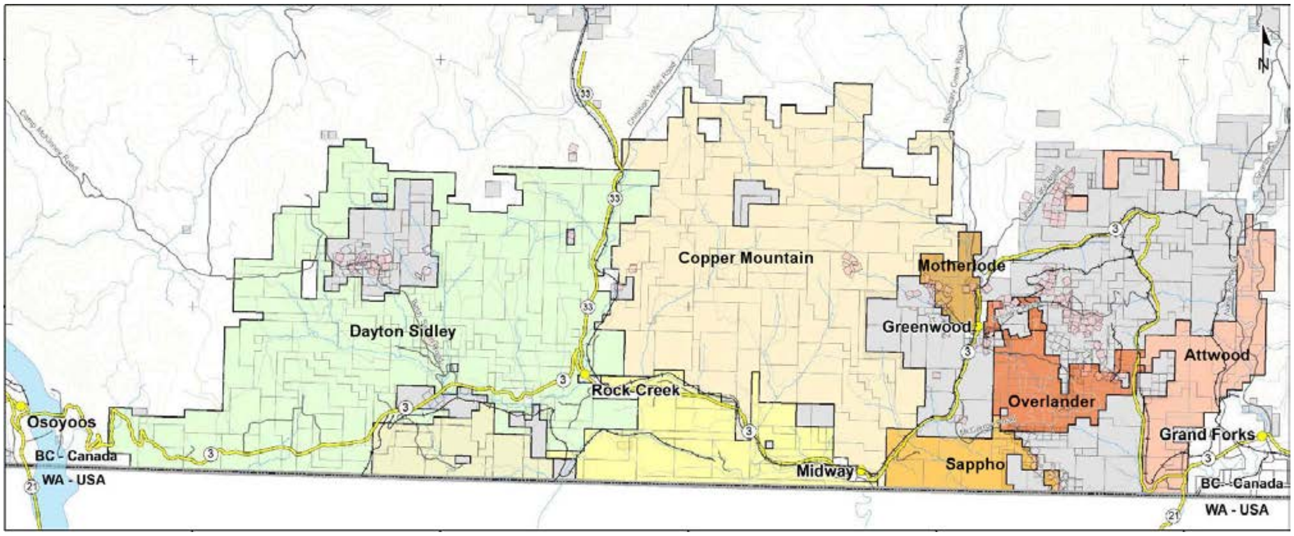
Summaries of each of the Company's principal projects are below. The reader should note that any potential future exploration programs mentioned below are subject to the Company obtaining financing on terms acceptable to the Company.

Greenwood Project
Southern British Columbia

Since 2008, the Company has consolidated a previously fragmented mineral claim block covering approximately 225,000 contiguous acres in South-central British Columbia, in the historically productive *Republic-Greenwood Gold District,* abutting the border with the United States.

The *Republic-Greenwood Gold District* has historically produced an aggregate of more than 6 million ounces of gold ("Au") prior to Grizzly's acquisition of the Greenwood Project. The Greenwood Project also sits less than 10 kilometers ("km") north of the Buckhorn Gold Mine, a producing gold mine (unrelated to the Company) in the US, which had a 1.2 million ounce ("oz") gold resource at 16 grams/tonne of gold ("g/t Au") at start up in 2010, and less than 50 km north of the Golden Eagle Project, with a greater than two million ounce gold resource. Based on compilation, assessment, and exploration work conducted by the Company, Grizzly believes that a large portion of the Greenwood Project lands cover a continuation of the same geological structures as these two mines.

The mineral claim blocks constituting the Greenwood Project have historically been subject to fragmented ownership. These blocks have been consolidated by Grizzly into six separate claim groups and are briefly described below. In November of 2013, the company filed with regulators and on SEDAR a National Instrument 43-101 compliant independent technical report on the Greenwood project which includes extensive disclosure on the Greenwood Project and the Company's exploration results obtained to date.



Dayton – Sidley Block	The Dayton-Sidley block represents the North-westerly corner of the Greenwood Project. The Company conducted exploration on the Dayton-Sidley block in 2009, 2010 and 2011, which included 14 holes (2,777 m) of diamond drilling at the Dayton Prospect. Results from exploration at the Dayton Prospect indicate porphyry bulk tonnage style Au-Copper ("Cu") mineralization, open to depth and along strike. The best drill hole intersections to date is 0.43 g/t Au and 0.15% copper (Cu) across 51.0 m core length.
Rock Creek Block	The Rock Creek Block is located south of the Dayton-Sidley Block, bordering the USA. The Rock Creek area has a prolific history of exploration and production dating to the late 19th century and contains multiple old (abandoned) workings including shafts, adits, and prospecting pits. The focus in the Rock Creek area has historically been for both gold and base metals. The Company has conducted extensive exploration from 2009 to 2011 in the area including 12 diamond drill holes (1,744 m) at the *Ket 28* target.
	The Company conducted an exploration program in 2009-2010 consisting of rock and HMC sampling, ground geophysics, and a nine diamond drill hole program. Rock samples near the Ket 28 prospect in the Rock Creek Block yielded assays up to 53.2 g/t Au. A ground magnetics and horizontal-loop electromagnetic ("HLEM") survey was completed over the Ket 28 prospect and indicated the presence of a northwest oriented structure and a large magnetic anomaly of which the Northwest edge is associated with Au mineralization. Drilling at the Ket 28 target indicates the presence of wide zones of hydrothermal Au-Silver ("Ag") associated with extensive alteration along a northwest structure. The best drill intersections obtained during the Companies exploration work are 11.9 g/t Au across 2.0 m core length and 8.85 g/t Au across 3.0 m core length.
Copper Mountain Block	The Copper Mountain block sits in the North-central portion of the Greenwood Project. Exploration was conducted on the property by the Company, building on extensive historical work by previous owners of the underlying claims, in 2009 through 2011 and included rock sampling, ground geophysics and diamond drilling in four target areas: Prince of Wales; Mabel Jenny North; Mabel Jenny; and Coronation. A total of 1,708 m were drilled yielding wide zones of hornfels alteration and poly-metallic mineralization (Au-Ag-Cu-Zinc ("Zn")). The best drill intersection to date is 1.0 g/t Au, 4.65 g/t Ag and 0.3% Zn across 30.0 m.

Sappho Block

The Sappho block lies southeast of the Copper Mountain block, with the block's southern border coinciding with the USA border. The Company conducted exploration in 2008 through 2010, including soil sampling heavy mineral concentrate ("HMC") analysis, rock sampling, ground geophysics, and diamond drilling.

Rock sampling targeting the Sappho occurrence and it's immediate area resulted in the identification of several zones of high Ag and Cu with anomalous Au, Platinum ("Pt"), and Palladium ("Pd"). Ground geophysics identified a high interest magnetic anomaly which was subsequently tested with two diamond drill holes (2010) which intersected mineralized zones. Two additional diamond drill holes targeting historic occurrences also confirmed the presence of mineralization. Analysis of data and results to date indicates the potential for wide zones of hornfels to skarn mineralization (Au-Ag-Pt-Ag-Cu-Zn). The best drill intersections to date are from a single hole with 68.4 g/t Ag, 0.63 g/t Au, 0.18 g/t Pt and 0.4% Cu across 7.0 m, and 6.57 g/t Ag, 0.75 g/t Au, 0.34 g/t Pt and 0.3% Cu across 6.5 m core length in two separate zones.

Motherlode Block

The Motherlode claim block is located just East of the Copper Mountain block and covers three historic producing Cu-Au skarn deposits from which a total of 4.2 million tonnes at a grade of 0.8% Cu and 1.3 g/t Au was produced in the periods 1896-1918 and 1956-1962.

The Company conducted exploration on the Motherlode block in 2008 through 2011 consisting of HMC analysis, rock and soil sampling, and ground geophysics. Rock sampling was focused on the areas surrounding the existing Motherlode, Sunset, and Greyhound pits, with seven samples returning assays greater than 5 g/t Au.

Ground geophysics and an HLEM survey over the Motherlode North area indicated an interesting magnetic low-high trend of NW orientation coincident with an EM anomaly. Drilling during 2011 yielded a new polymetallic discovery of Au-Ag-Pb-Zn-Cu north of the historic Motherlode Pit. The best intersections obtained to date include 6.07 g/t Au, 15.13 g/t Ag, 0.2% Pb and 0.7% Zn over 4.5 m core length, and 4.11 g/t Au, 6.88 g/t Ag, and 1.04% Zn over 2.85 m core length in two from two separate drill holes.

Overlander – Attwood Block

The Overlander block is in the centre of the Eastern half of the Greenwood Project and has an extensive history of exploration and production by previous claim holders. The Overlander Block surrounds the historic Phoenix Mine, and the Golden Crown and Lexington gold deposits currently owned by Golden Crown LLC.

The Company conducted exploration on the Overlander – Attwod Block from 2009 to 2012. Exploration consisted of HMC, rock and soil sampling, ground geophysics and diamond drilling. HMC sampling yielded 3 to 27 visible gold grains in tributary streams sourced from Overlander - Mount Attwood area, and rock sampling confirmed the presence of high grade Au mineralization in the areas around several historical showings with a number of samples yielding greater than 20 g/t Au. Soil sampling yielded a number of excellent Au in soil anomalies a few of which were the focus of the 2012 drilling.

The Company conducted a total of 1,364 m of diamond drilling in 5 holes yielding pyrite and quartz veins in basalt and ultramafic rocks along with pyrite and chalcopyrite in skarns in limestone. Polymetallic mineralization with Au-Ag-Cu-Pb-Zn was intersected in most of the drill holes. The P5 target yielded 3.54 g/t Au over 1.5 m. and a long intersection of highly anomalous nickel with 0.18% Ni over 99.13 m. The anomalous Au in soil anomalies that were drill tested are yet to be explained.

As announced by the Company, management has selected Ket 28 in the Rock Creek Block as the priority for exploration drilling and has planned a drill exploration program, subject to financing, at Ket 28. Any future exploration is contingent upon the Company obtaining financing on terms acceptable to the Company.

French and Peak Properties

The Company's French and Peak properties in central British Columbia (near Smithers) were acquired by the Company in 2005. The Company has not conducted significant exploration on either of these properties since 2008, however still holds them in good standing and is currently evaluating the properties for additional exploration in the near term.

The French property consists of one 500 ha claim with indications of copper-molybdenum-silver-gold mineralization in a lower grade bulk tonnage style porphyry-type mineralized zone. The Peak property consists of 9 claims totaling 3,643 ha with polymetallic silver-gold-copper-lead-zinc in veins and in a large associated breccia zone that is spatially coincident to a large IP chargeability anomaly. The Peak property has been assessed by the Company as potentially hosting a volcanogenic massive sulphide ("VMS") deposit with similar style and relationships to the past producing Eskay Creek VMS deposit. The discovery of a potential VMS deposit has been the main focus of the Company's exploration efforts to date on the Property. Drilling during the fall of 2008 intersected widespread low grade polymetallic mineralization in association with the IP chargeability anomaly indicating that the Peak property also is a target for bulk tonnage style porphyry style mineralization.

During the year ended July 31, 2014, the Company recorded an impairment to the carrying value of the French Property totaling $70,911 due to the Company's de-prioritization of future potential exploration on the property.

The Company intends at an unspecified future date, subject to financing on terms acceptable to the Company, to conduct drill programs on the Peak property.

Silver Bear

In the year ended July 31, 2014, the Company recorded an impairment to the carrying value of the BC Metals properties included in Mineral Properties of $302,081 representing the carrying value of the Silver Bear minor property, as the Company has deprioritized any potential future work on this property.

Alberta Potash Project

Southeast and East-central Alberta

The Company's Alberta Potash Project, located in east central Alberta, consists of two 100% owned claim blocks, the North (Lloydminster) Block and the South (Medicine Hat) Block, as well as a 50% jointly owned Provost Block with Pacific Canada Potash Ltd., a wholly owned subsidiary of Pacific Potash Corp. (Pacific). The project originally consisted of Metallic and Industrial Mineral (MAIM) permits covering approximately 993,000 hectares (ha) (2,319,000 acres) along the Alberta-Saskatchewan border, with a large portion of these permits being in close proximity to, or directly containing areas that are underlain by, the potash-bearing Prairie Evaporite Formation.

As at April 30, 2015, the Alberta Potash Project permits cover approximately 147,000 ha (363,000 acres) and containing the areas of highest prospectivity for potash based on the Company's analysis of information available.

The Alberta Potash Project was initially assessed by the Company as being prospective for potash in 2009 through a compilation of historical oil and gas well data and archived drill cores at the Alberta Energy Resources and Conservation Board ("ERCB"). The North Block of the Alberta Potash Project now includes the historic Vermillion Consolidated Oils No. 15 well ("VCO #15"), originally drilled in 1944 and revisited in 1965. VCO #15 reported 3.7 m of carnallite ("KCl"; a highly soluble form for extractable potash) in the upper part of the Prairie Evaporite Formation. Further analysis noted a 15.2 m section containing a pinkish-grey potash mineral (possibly sylvite ("K_2O")) in the top part of the Prairie Evaporite. The potash bearing section was reported to be underlain by 122 m of halite ("NaCl"). The remaining core available from VCO #15 yielded up to 18.6% K_2O (29.4% KCl). These results indicate a similar composition, depositional sequence, and depth as the potash at the historic Unity Mine in Saskatchewan, which reported grades up to 22% K_2O.

The Company has not yet drill tested the North Block.

In late December 2011, the Company drilled Well GZD100 MEDHAT 8-36-19-01W4 on the South Block. Coring commenced at 1,642 m below surface and visible potash minerals were observed in the core for the interval between 1,645.5 m and 1,670.85 m. The well cored a thick zone of Prairie Evaporite Formation salt intersecting a wide, low grade potash zone (22.35 m) at a depth of 1,648.5 m and intersected two zones of sylvite mineralization (Upper and Lower Zones) within what is interpreted to be the Patience Lake Member.

Analytical results of the drill core included weighted average grades of:

- 2.62% K_2O (4.15% KCl equiv.) over 22.35 m at a depth of 1,648.5 m for the low grade zone;

- 6.4% K_2O (10.14% KCl equiv.) over 4.55 m, which included 13.0% K_2O (20.58% KCl equiv.) over 1.15 m for the Upper Zone and 2.45% K_2O (3.88% KCl equiv.) over 3.3 m for the Lower Zone, and;

- a 0.3 m core sample assaying at 31.1% K_2O (49.2% KCl equiv.), the best result in the core.

The above intersections seem to occur at a similar depth to the Belle Plaine Potash Solution Mine near Regina, Saskatchewan and the Company believes that a potential potash resource on the North Block would consist of sylvite at a depth ideally suited to solution mining, a lower cost and lower environmental-footprint potash mining method than conventional potash mining methods.

The Company and its 50% partner on the Provost Block near Provost, Alberta (south of the North Block) conducted a drill program on the Provost Block in late 2011. One well was drilled indicating a wide, low-grade potash zone over 23.3 m with two higher grade zones within, including up to 6.58% K_2O (10.41% KCl equiv.) over 0.75 m.

Subject to financing or a potential joint venture, the Company has planned an exploration program with an initial stage with an estimated cost of approximately $5.0 million in order to drill approximately 5,000 m in three wells, conduct water collection and sampling, and baseline scoping studies on the North Block in order to verify and build upon the information from VCO #15. Subject to results and financing, the Company then plans a further program to progress to a resource stage in association with appropriate metallurgical and engineering studies.

Test well reclamation

The Company has an outstanding environmental rehabilitation provision related to the rehabilitation of two exploratory potash test wells in Southern Alberta, recorded in the consolidated statement of financial position as a provision. Based on information currently available, the Company has recorded a provision in the (future) amount of $232,500, discounted to $225,425, being management's estimate of the well site reclamation. The Company has determined the discounted value with reference to a risk free rate of 1.13% and a settlement date of July 31, 2017 coinciding with the current expiry date of the Company's mineral claims underlying the well site.

Relevant regulatory authorities have assessed a deposit related to the Company's potash exploratory drilling of $27,706, and has required that the Company pay this deposit amount to be held in trust by a financial institution on behalf of the Company in an interest-bearing account. This deposit, along with accumulated interest, has been classified as a non-current deposit on the consolidated statement of financial position.

On March 11, 2014, the Company announced that it had entered into a memorandum of understanding ("MOU") with an unrelated third party ("Interested Party") whereby the Company would provide to the Interested Party, on a confidential basis, all information related to the Alberta Potash Project ("APP Information"). The MOU contemplates that, provided the Interested Party and the Company wish to continue pursuant to the Interested Party having reviewed the APP Information, the parties would enter into negotiations to finalize a formal agreement whereby the Interested Party would invest up to $15 Million to explore the Alberta Potash Project in return for an ownership interest in the Alberta Potash Project. In addition, the MOU contemplates that this direct interest in the Alberta Potash Project would be convertible to an equity interest in a publicly traded corporation owning the Alberta Potash assets.

The terms and conditions of a final agreement as contemplated by the MOU have not yet been negotiated between the parties, and there is no guarantee that the Interested Party will wish to negotiate a formal agreement pursuant to having completed its review of the APP Information. The contemplated formal agreement, if entered into by the parties, would be subject to the approval of regulatory authorities and may be subject to shareholder approval

Alberta Diamond Project

Buffalo Head Hills area, North-central Alberta

The Company's Alberta Diamond Project was its flagship project from inception in 2004 until 2008, when the market appetite for diamond projects weakened significantly. In the last exploration program conducted by Grizzly in 2008, the Company discovered three new diamond-bearing kimberlites, however the Company has not followed up on these discoveries to date as its focus has shifted to the Greenwood Project and the Alberta Potash Project.

The claims underlying the greater than 200,000 acre Alberta Diamond Project are valid without further exploration by the Company for one to two years and the Company has plans to conduct bulk sampling in the future subject to market interest in diamonds and financing available to the Company on acceptable terms.

Risks and Uncertainties

Mining risks

The Company is subject to the risks typical in the mining business including uncertainty of success in exploration and development; operational risks including unusual and unexpected geological formations, rock bursts, particularly as mining moves into deeper levels, cave-ins, flooding and other conditions involved in the drilling and removal of material as well as environmental damage and other hazards; risks that intended drilling schedules or estimated costs will not be achieved; and risks of fluctuations in the price of commodities and currency exchange rates. Metal prices are subject to volatile price movements over short periods of time and are affected by numerous factors, all of which are beyond the Company's control, including expectations of inflation, levels of interest rates, sales of gold by central banks, the demand for commodities, global or regional political, economic and banking crises and production rates in major producing regions. The aggregate effect of these factors is impossible to predict with any degree of certainty.

Business risks

Natural resources exploration, development, production and processing involve a number of business risks, some of which are beyond the Company's control. These can be categorized as operational, financial and regulatory risks.

• Operational risks include finding and developing reserves economically, marketing production and services, product deliverability uncertainties, changing governmental law and regulation, hiring and retaining skilled employees and contractors and conducting operations in a cost effective and safe manner. The Company continuously monitors and responds to changes in these factors and adheres to all regulations governing its operations.

• Financial risks include commodity prices, interest rates and foreign exchange rates, all of which are beyond the Company's control.

• Regulatory risks include the possible delays in getting regulatory approval to the transactions that the Board of Directors believe to be in the best interest of the Company, and include increased fees for filings, the introduction of ever more complex reporting requirements the cost of which the Company must meet in order to maintain its exchange listing.

No Operating History and Financial Resources

The Company does not have an operating history and has no operating revenues and is unlikely to generate any in the foreseeable future. It anticipates that its cash resources are sufficient to cover its projected funding requirements for the remainder of the fiscal year. Additional funds will be required for general operating costs, and for further exploration to attempt to prove economic deposits and to bring such deposits to production. Additional funds will also be required for the Company to acquire and explore other mineral interests. The Company has limited financial resources and there is no assurance that sufficient additional funding will be available to it fulfill its obligations or for further exploration and development, on acceptable terms or at all***. Failure to obtain additional funding on a timely basis could result in delay or indefinite postponement of further exploration and development and could cause the Company to forfeit its interests in some or all of its properties or to reduce or terminate its operations.***

Competition

The mineral exploration and mining business is competitive in all of its phases. The Company will compete with numerous other companies and individuals, including competitors with greater financial, technical and other resources, in the search for and the acquisition of attractive mineral properties. The Company’s ability to acquire properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable prospects for mineral exploration or development. There is no assurance that the Company will be able to compete successfully with others in acquiring such prospects.

Price Volatility and Lack of Active Market

In recent years, the securities markets in Canada and elsewhere have experienced a high level of price and volume volatility, and the market prices of securities of many public companies have experienced significant fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any quoted market for the Company’s securities will be subject to such market trends and that the value of such securities may be affected accordingly.

Key Executives

The Company is dependent on the services of key executives and a small number of highly skilled and experienced consultants and personnel, whose contributions to the immediate future operations of the Company are likely to be of importance. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. Due to the relatively small size of the Company, the loss of these persons or the Company’s inability to attract and retain additional highly skilled employees or consultants may adversely affect its business and future operations. The Company does not currently carry any keyman life insurance on any of its executives. The directors and officers of the Company only devote part of their time to the affairs of the Company.

Potential Conflicts of Interest

Certain directors and officers of the Company are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Company. Directors and officers of the Company with conflicts of interest will be subject to and will follow the procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

Dividends

The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the Board of Directors of the Company and will depend on the Company’s financial condition, results of operations, capital requirements and such other factors as the Board of Directors of the Company deem relevant.

Nature of the Securities

The purchase of the Company’s securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company’s securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in Company’s securities should not constitute a major portion of an investor's portfolio.

Outlook

The Company's primary focus for the foreseeable future will be on advancing the exploration and development of its current projects and investigating other prospects for prospective addition to the Company's mineral properties, concurrent with evaluating strategies to enhance shareholder value. The ability of the Company to do so is contingent upon its ongoing ability to raise capital primarily through equity financing.

Qualified Person

The disclosures contained in this MD&A regarding the Company’s mineral properties has been prepared by, or under the supervision of, Michael Dufresne, M.Sc., P.Geol., a principal of APEX Geoscience Ltd. and a Qualified Person for the purposes of National Instrument 43-101.

Approval

The Audit Committee approved the disclosure in this MD&A on behalf of the Board of Directors of the Company on June 29, 2015.

Other Information

Additional information related to the Company is available for viewing on SEDAR at www.sedar.com.