MAVERIX METALS INC. (FORMERLY MACMILLAN MINERALS INC.)

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE PERIOD FROM INCORPORATION (JANUARY 9, 2016) AND ENDING SEPTEMBER 30, 2016

FORM 51-102F2

DATE OF REPORT: NOVEMBER 23, 2016

Overall Performance

General

This Management's Discussion and Analysis ("MD&A") is intended to help the reader understand the significant factors that have affected the performance of Maverix Metals Inc. and its subsidiaries (collectively "Maverix", "we", "us", "our" or the "Company") and such factors that may affect its future performance. This MD&A should be read in conjunction with the Company's Unaudited Condensed Interim Consolidated Financial Statements for the period ended September 30, 2016 (the "Q3 2016 Financial Statements"), and the related notes contained therein, and the unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2016 (the "Q2 2016 Financial Statements"), and the related notes contained therein. All amounts in this MD&A and in the Q32016 Financial Statements are expressed in Canadian dollars ("CAD"), unless identified otherwise. The Company reports its financial position, results of operations and cash flows in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"). Maverix's significant accounting policies are set out in Note 4 of the Q3 2016 Financial Statements.

This Management's Discussion and Analysis is prepared as of November 23, 2016. Any of the scientific and technical information has been prepared or reviewed by Doug Ward, an officer of the Company. Mr. Ward is a Qualified Person within the meaning of National Instrument 43-101. The information as provided regarding exploration activities at the Cerro de Oro Project are from information as reported to the Company by Minera Peñasquito S.A. de C.V. ("Minera Peñasquito").

Forward-Looking Statements

Except for historical information contained in this MD&A, the following disclosures are forward-looking statements and forward-looking information within the meaning of applicable Canadian provincial securities laws, or are future oriented financial information, and as such are based on an assumed set of economic conditions and courses of action. Such forward-looking statements involve a number of known and unknown risks, uncertainties, and other factors which may cause the actual results or performance of achievements of the corporation to be materially different from actual future results and achievements expressed or implied by such forward-looking statements, which speak only as of the date the statements were made, and readers are also advised to consider such forward-looking statements while considering the risk set forth below. Please refer to the cautionary note regarding forward-looking statements and information at the end of this MD&A and the "Risks Related to Maverix's Business" contained in the Company's most recent Annual Information Form on file with the Canadian provincial securities regulatory authorities. Additional information about Maverix and its business activities, including its Annual Information Form, is available on SEDAR at www.sedar.com

Description of Business

Maverix Metals Inc. (formerly MacMillan Minerals Inc.) ("Maverix", "we", "us", "our", or the "Company") was incorporated on September 5, 2008 under the Canada Business Corporations Act ("CBCA") for the purpose of completing a spin out transaction with MacMillan Gold Corp. On May 23, 2012, the Company's common shares commenced trading on the TSX Venture Exchange under the trading symbol "MMX". The Company was engaged in the exploration and development of mineral properties in Mexico.

On July 11, 2016 the Company completed a statutory plan of arrangement with Pan American Silver Corp ("Pan American") and a private company, Maverix Metals Inc. ("Maverix Private Co"), which fundamentally changed the Company's business. The Company is now a resource-based company that seeks to acquire gold and other precious metal purchase agreements ("Gold Streams", "Silver Streams", or "Streams") and net smelter return royalties ("NSR's") from companies that have advanced stage development projects or operating mines. The current financial statements reflect the Company's new business strategy post completion of the plan of arrangement. The Company's registered head office address is 625 Howe Street, Suite 1440, Vancouver, British Columbia V6C 2T6.

The Company owns a portfolio of NSR's and precious metal stream interests, mainly in Mexico, Canada, Peru and Argentina. In addition, the Company has retained interests in exploration and evaluation projects in Mexico, which were held by MacMillan Minerals Inc. prior to the completion of the plan of arrangement. The Company is no longer actively exploring on its properties and is pursuing opportunities to option the properties to third parties in exchange for retained royalties. The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that exploration programs will result in profitable mining operations. The Company's exploration property interests are subject to increases in taxes and royalties, renegotiation of contracts, expropriation, currency exchange fluctuations and political uncertainty.

Concession fees for the Company's properties held in Mexico are due semi-annually in January and July each year. The Company has accrued for the cost of any outstanding concession fees that are due from July 2013 and onwards plus a provision for penalties and inflation adjustments. Except as noted below, these fees remain outstanding. The titles to most concessions are therefore at risk of termination by government authorities. The Company has received confirmation from Minera Peñasquito that the concession fees on the Cerro de Oro Properties which are under option to Minera Penasquito have been paid and are current to December 31, 2016.

Prior to the Company's participation in the plan of arrangement, continuance as a going concern was dependent upon its near future ability to obtain adequate financing, or to reach profitable levels of operation, with the change in business strategy, the Company believes that our current financial resources and funds generated from operations will be adequate to cover anticipated expenditures for, general and administrative expenses and capital expenditures for the foreseeable future.

The Company did not have any legal proceedings or contingent liabilities at September 30, 2016, and is not in default under the provisions of any debt or other contractual obligations. The Company is not in breach of any corporate, securities or other laws.

Q3 Highlights and Key Accomplishments
Completed The Plan of Arrangement transaction
Acquired a Portfolio of NSR's, precious metal streams and payment agreements from Pan American Silver Corp.

- Two Gold Stream agreements on properties in Mexico, with one property currently in production
- Eleven NSR's or payment agreements on properties in Canada, Mexico, Peru and Argentina, with one property in production and another in development.

Operations
Production

- Attributable gold equivalent production ("AuEq") for the three months ended September 30, 2016 of 932 ounces (La Colorada mine gold stream 720 ounces and Taviche Oeste 1.5% NSR 212 ounces), Year to date attributable gold equivalent production was 1,676 ounces (La Colorada mine gold stream 1,380 ounces and Taviche Oeste 1.5% NSR 286 ounces). Year to date attributable production reflects the period beginning April 1, 2016 as defined in the Plan of Arrangement.

Sales Volume

- Actual gold sales for the three-month period ending September 30, 2016 were 261.4 ounces.
- Royalty revenue from the Taviche Oeste NSR was $504 thousand attributable for the three months ended September 30, 2016.

Per Ounce Price Realized and Cash Paid on La Colorada gold stream interest

- Average realized sale price per gold ounce sold for the three–month period ending September 30, 2016 was USD$1,327. This represented the first gold sales for the company.
- Average cash payment per gold ounce sold for the three-month period ending September 30, 2016 of USD$650.
- Cash operating margin per gold ounce sold for the three-month period ending September 30, 2016 of USD$677.

Operating Results

- Revenue for the three- month period ending September 30, 2016 was $955 thousand.
- Gross profit for the three–month period ending September 30, 2016 was $272 thousand. Gross profits are equal to total revenue less cost of sales and depletion expense.
- Net loss for the three-month period ending September 30, 2016 was $6.2 million or $0.08 per share.

Overview
Maverix Metals Inc. together with its subsidiaries, is engaged in the business of acquiring and managing precious metals NSR's, streams, and similar interests. The Company's common shares trade on the TSX Venture Exchange under the trading symbol "MMX".

As at September 30, 2016, the Company owned two precious metal stream interests, one on a producing property in

Mexico and one development stage property, also in Mexico. The Company also owned eleven NSR and payment agreement interests, one on a producing property in Mexico, one on a property currently being constructed and developed in Canada, and nine on development and exploration/evaluation stage properties in Mexico, Canada, Peru and Argentina. The Company uses “evaluation stage” to describe exploration stage properties that contain mineralized material and on which operators are engaged in the search for reserves. We do not conduct mining operations on the properties in which we hold NSR and stream interests, and we are not required to contribute to capital costs, exploration costs, environmental costs or other operating costs on those properties.

A metal stream interest is a purchase agreement that provides the right to purchase all or a portion of one or more metals produced from a mine, for an upfront payment plus an additional cash payment for each unit delivered. The additional payment is typically fixed by contract and is generally at or below the prevailing market price. A portion of the attributable gold production as referred to in this MD&A and financial statements is the gold production to which Maverix is entitled pursuant to its gold stream agreements.

NSR interests are non-operating interests in mining projects that provide the right to the holder of a percentage of the gross revenue or metals produced from the project after deducting specified costs, if any. For purposes of reporting attributable production, the Company converts the money it receives from the NSR’s which it owns to gold equivalent production.

The Company’s business strategy is to acquire existing NSR’s and stream interests or to finance projects that are in production or in the development stage in exchange for NSR’s or stream interests. In the ordinary course of business, we engage in a continual review of opportunities to acquire existing NSR’s and stream interests, to establish new streams on operating mines, to create new NSR’s or stream interests through the financing of mine development or exploration, or to acquire companies that hold NSR and stream interests. During the three months ended September 30, 2016, we focused on the acquisition of a portfolio of assets that included both NSR and stream interests described in the plan of arrangement with Pan American Silver Corp. (“Pan American”), see below.

Plan of Arrangement

The plan of arrangement (the “Arrangement”) pursuant to which Maverix acquired 13 NSR’s, precious metals streams and payment agreements (the “Portfolio”) from Pan American closed on July 11, 2016. As part of the Arrangement, the Company changed its name from MacMillan Minerals Inc. (“MacMillan”) to Maverix Metals Inc. and consolidated its pre-Arrangement outstanding common shares on the basis of one post consolidation common share for each two pre-consolidation common shares.

The acquisition of MacMillan was accounted for as an reverse take-over transaction (“RTO”) that was not a business combination and effectively a capital transaction of the Company. Post transaction Maverix Private Co. has been treated as the accounting parent (legal subsidiary) and MacMillan has been treated as the accounting subsidiary (legal parent) in these condensed interim consolidated financial statements. As Maverix Private Co. was deemed to be the acquirer for accounting purposes, its assets, liabilities and operations since incorporation are included in these condensed interim consolidated financial statements at their historical carrying values.

Maverix Metals Inc.’s results of operations have been included from the date of the RTO. The legal capital continues to be that of MacMillan the legal parent. These condensed interim consolidated financial statements are a continuation of those of Maverix Private Co. which was incorporated on January 9, 2016 and therefore limited comparative information has been included.

Pursuant to the Arrangement, the Company issued a total of 75,929,091 post consolidation common shares. Of this amount, Pan American received 42,850,000 common shares and 20,000,000 common share purchase warrants in exchange for the Portfolio. MacMillan shareholders received 3,664,000 common shares for the purchase of the public company and recorded a $5.0 million listing fee. Maverix Private Co. received 33,079,091 common shares in exchange for common shares of Maverix Private Co. Following the close of the Arrangement, Maverix had a total of 79,837,856 issued and outstanding common shares. Additional information including the plan of arrangement and the Company’s press release describing the plan of arrangement were filed on SEDAR June 22, 2016 and July 11, 2016, respectively, and are available at www.sedar.com.

Warrants

The 20,000,000 warrants issued under the plan of arrangement are exercisable for five years, with one-half exercisable at USD $0.546 (or CAD$0.72) per share and the other half exercisable at USD $0.77 (or CAD$1.02) per share.

The Portfolio (NSR, precious metal streams and payment agreement Interests)
The following table summarizes the portfolio of assets acquired from Pan American and are the silver and gold interests currently owned by the Company:

As at September 30, 2016	Cost (000's)	Stream/NSR	Owner	Location
Stream interests				
La Colorada (a)	22,620	100% Gold Production Stream for and ongoing payment of $650/oz.	Pan American Silver Corp	Mexico
La Bolsa (e)	4,680	5% Gold Production Stream for an ongoing payment of $450/oz.	Pan American Silver Corp	Mexico
Royalty interests				
San Jose Mine (b)	7,150	1.5% NSR	Fortuna Silver	Mexico
Moose River (c)	4,810	3% NSR	Atlantic Gold Corp.	Canada
Shalipayco Project (d)	4,290	1% NSR	Minera Milpo/Vatorantim	Peru
Tres Cruces (g)	4,680	1.5% NSR	Barrick Gold	Peru
Calcatreu (f)	2,860	1.25% NSR	Pan American Silver Corp	Argentina
Pico Machay (h)	1,560	1% NSR	Pan American Silver Corp	Peru
Jojoba (k)	1,495	2% NSR	GFMM SAPI de CV	Mexico
Taviche Este Project (i)	325	1.5% NSR	Aura Silver Resources	Mexico
Queylus Project (l)	60	1.5% NSR	Copper One	Canada
Quiruvilca Mine (j)	260	1% NSR	Sociedad Minera Qurivilca	Peru
Maria Cecilia Project (m)	122	1.5% NSR	Stellar Mining	Peru

The portfolio of assets acquired are as follows:

a) La Colorada Mine Gold Stream (Durango, Mexico) –The economic equivalent of one hundred percent (100%) of the gold produced from Pan American's operating La Colorada silver mine, less a fixed ongoing price of US$650 per ounce for the life of the mine. The La Colorada mine produced 2,630 ounces of by-product gold in 2015, and has provided production guidance of 2,700-2,900 ounces for 2016. The fair value of this gold stream has been estimated at $22.6 million (USD $17.4 million).

b) San José Mine Net Smelter Return Royalty (Oaxaca, Mexico) – Net smelter return royalty ("NSR") of one and one-half percent (1½%) on all metal sales from the Taviche Oeste concession at Fortuna Silver Mines' operating San José silver and gold mine. First production from the Taviche Oeste concession began in 2015 with the first NSR payment being made for the quarter ended June 30, 2015. The fair value of this royalty has been estimated at $7.2 million (USD $5.5 million).

c) Moose River Project NSR (Nova Scotia, Canada) – NSR of three percent (3%), subject to a $2.5 million option to repurchase 2% of the NSR, on the Touquoy deposit at Atlantic Gold Corporation's Moose River open pit gold project. The fair value of this royalty has been estimated at $4.8 million (USD $3.7 million).

d) Shalipayco Project NSR (Junin, Peru) – NSR of one percent (1%) on all metal production from the Shalipayco zinc development project. Shalipayco is an underground, pre-feasibility stage project that has been advanced by a joint venture lead by Votorantim Metals, Compañia Minera Milpo S.A., and Pan American. The fair value of this royalty has been estimated at $4.3 million (USD $3.3 million).

e) La Bolsa Project Gold Stream (Sonora, Mexico) – Agreement to purchase five percent (5%) of the future life of mine gold production at a fixed ongoing price of US$450 per ounce from the feasibility stage La Bolsa project. The fair value of this royalty has been estimated at $4.7 million (USD $3.6 million).

f) Calcatreu Project NSR (Rio Negro, Argentina) – NSR of one and one-quarter percent (1¼%), or its equivalent, on all metals produced from the pre-feasibility stage Calcatreu open pit/milling gold/silver project. The fair value of this royalty has been estimated at $2.9 million (USD $2.2 million).

g) Tres Cruces Project NSR (La Libertad, Peru) – NSR of one and one-half percent (1½%) on the Tres Cruces concessions held by New Oroperu Resources Inc. Tres Cruces is under option and is being explored by Barrick Gold Corporation. The fair value of this royalty has been estimated at $4.7 million (USD $3.6 million).

h) Pico Machay Project NSR (Huancavelica, Peru) – NSR of one percent (1%) on the scoping stage Pico Machay open pit/heap leach gold project. The fair value of this royalty has been estimated at $1.6 million (USD$1.2 million).

i) Taviche Este Project NSR (Oaxaca, Mexico) – NSR of one and one-half percent (1½%) on Aura Silver Resources Inc.'s early stage Taviche Este exploration project. The fair value of this royalty has been estimated at $0.3 million (USD $0.25 million).

j) Quiruvilca Mine NSR (La Libertad, Peru) – A right to receive 50% of all revenue received, including any sales proceeds, from Pan American's two percent (2%) NSR on all metal production from the Quiruvilca zinc/silver mine owned and currently operated by Sociedad Minera Quiruvilca Inversiones S.A. The fair value of this royalty has been estimated at $0.3 million (USD $0.2).

k) Jojoba Project NSR (Sonora, Mexico) – NSR of two percent (2%) on the exploration stage Jojoba gold/silver deposit. The project is currently held by GFM Minera S.A.P.I. de C.V., a private Mexican company. The fair value of this royalty has been estimated at $1.5 million (USD $1.15 million).

l) Queylus Project NSR (Quebec, Canada) – NSR of one and one-half percent (1½%) on Copper One Inc.'s early stage Queylus copper/gold project. The fair value of this royalty has been estimated at $0.1 million (USD $0.04 million).

m) Maria Cecilia Project NSR (Peru) – NSR of one and one-half percent (1½%) on Stellar Mining's early stage Maria Cecilia gold/silver project. The fair value of this royalty has been estimated at $0.1 million (USD $0.1 million).

Exploration and Evaluation Properties

Cerro de Oro Project
In November 2013, the Company entered into a property option agreement with Minera Peñasquito, a wholly owned subsidiary of Goldcorp Inc. ("Goldcorp") Minera Peñasquito has met all obligations to earn an initial 51% interest in the Cerro de Oro Project, pending their official notification to exercise such right, by having made payments to the Company of US$100,000 and by having made exploration expenditures in excess of US$1,500,000 in the initial three years. Minera Peñasquito has the option to increase its interest to 70% by spending an additional minimum US$500,000 (reported as spent) and by completing a Mineral Resource Estimate written in accordance with the rules of National Instrument 43-101. The agreement provides that the semi-annual concession fees are the responsibility of Minera Peñasquito. The Company has received confirmations that all outstanding concession fees on the Cerro de Oro concessions have been paid and are current to December 31, 2016.

The mining concessions of the Company which have been optioned by Goldcorp are located in the northern part of Zacatecas state, Mexico, southeast of the town of Mazapil, and southwest of Concepción del Oro, Zacatecas. The project area is located between the following UTM coordinates: 2717500N, 244500E and 2723000N, 253500E. They comprise 4 concessions totaling 2,695.2 hectares.

Minera Peñasquito report that shortly after the signing of the Option Agreement with the Company, two geophysical contractors were selected and contracted to conduct airborne (helicopter) geophysical surveys over a large area, including the MacMillan concessions at Santa Rosa. The contractors selected were GEOTECH Ltd. (for ZTEM electromagnetics, magnetometer, and radiometrics surveys) and CGG Airborne Services Ltd. (for HeliFALCON gravimetry and magnetometer surveys). Contracts were completed with these two contractors during the 4th Quarter of 2013 and contractor equipment and personnel were mobilized to the site.

During the most recent quarter ended September 30, 2016 Minera Penasquito reported that very limited direct exploration work was carried out at the Santa Rosa project and that discussions were being held with the local Ejido communities to try to re-establish access to the project area.

Las Cucharas Project

The Las Cucharas Properties are located within the Municipality of Huajicori, at the north end of the State of Nayarit in west-central Mexico. The Company has been granted a number of concessions collectively referred to as the Las Cucharas Project. The Las Cucharas Project covers a series of generally northwest trending gold and silver-bearing vein structures which mainly occur within a six-kilometre-long by two-kilometre-wide mineralized corridor. The Company has conducted systematic field-work including geological mapping and geochemical surveys. All required land use agreements and environmental permitting were in place to allow exploration activities including trenching and drilling.

Additional information regarding the Las Cucharas Project is available in a Technical Report dated February 27, 2012 written by R.A. Lunceford, M.Sc. CPG, titled Geological Report and Summary of Field Examination, Las Cucharas Project as filed on SEDAR on March 29, 2012.

In May 2013, the Company was very pleased to announce that it had received the title documents for each of the five concessions being sought by the Company. Applications for these five concessions were originally filed by the Company through the normal staking process. Due to competing applications filed by other interested parties on the same day as these claims became available for staking, the concessions became subject to the regulatory lottery process. These five concessions were awarded to the Company as the winner of this lottery process.

The five concessions covered an area of 1,036 hectares in the state of Nayarit. These concessions were then added to the Company's Las Cucharas Project. The Company was then able to report on four diamond drill holes completed on two of the various target zones identified within the area covered by these five newly titled concessions.

The Company is no longer actively exploring on the Las Cucharas project and has been negotiating with a junior Canadian exploration company to option the property in exchange for a retained 3% NSR.

La Violetta Project

The La Violetta, the Palmira, and the Chino Gordo properties are collectively referred to as the La Violetta Project. These properties were optioned to Lake Shore Gold Corp. ("Lake Shore" formerly West Timmins Mining Inc.) in November 2007. Lake Shore had issued 219,000 common shares to the Company as at September 30, 2009. In March 2010, Lake Shore and the Company signed a Letter Agreement amending the terms of the property option. In May 2010, Lake Shore issued the remaining 146,000 common shares in exchange for an immediate 70% interest in the properties under option. The property titles have been transferred to Lake Shore subject to a 30% joint venture interest by the Company. Lake Shore was appointed the operator of the joint venture and is responsible for all costs until a bankable feasibility study is completed on a mineral resource defined at least in part on the properties under option.

In November 2011, the Company signed an agreement allowing the rights of West Timmins Mining Inc. and Lake Shore Gold Corp. to be assigned to Revolution Resources Corp. ("Revolution").

On January 30, 2013, Lake Shore announced that it was selling 100% of its Mexico portfolio to Revolution. This portfolio included the La Violetta Project. Revolution has agreed that it will remain responsible to abide by the terms of the property option agreement which provides that MacMillan Minerals Inc. maintains a 30% carried interest and that Revolution is responsible for all costs until a bankable feasibility study is completed on a mineral resource defined at least in part on the La Violetta properties under option.

Revolution is responsible for the semi-annual concession fees required to be made to maintain the claims comprising the La Violetta Project.

Exploration Expenditures

The Company has no immediate plans for continued exploration activities and post the plan of arrangement is now focused on activities related to being primarily a metal streaming and royalty company. The Company continues to be optimistic that Minera Peñasquito will develop a follow up drill program at the Cerro de Oro Project after completing a full evaluation of the 2015 drill program and resolving the issues they encountered with the local Ejidos. The Company will seek to maximize the value of the exploration properties it retained that were part of MacMillan's asset group by looking to sell or option the properties to third parties in exchange for retained NSR's.

Outlook for 2016

Based on the Company's interests in the La Colorada gold stream and the Taviche Oeste NSR we are forecasting attributable gold equivalent production between approximately 2,400 and 2,600 gold ounces for 2016.

Key Producing Assets

Pan American has announced that it is progressing the La Colorada mine expansion project. The project reached a significant milestone with the completion of the construction and commissioning of the new sulphide process plant in Q3 2016. Progress continued to advance on the sinking and equipping of the new mine shaft, underground mine development in support of the future increased production levels, and construction of the new 115 kV power line to the site. Overall, the La Colorada expansion is advancing on budget and remains on schedule to reach the planned 1800 tonnes per day ("tpd") ore production rate by the end of 2017. It is expected that the increased production capacity at the La Colorada mine will increase the annual gold production which Maverix is entitled to.

Development and mining on the Taviche Oeste concession at the San José mine operated by Fortuna Silver continued to ramp up as part of the overall expansion of the unit. Production from the concession continues to increase as mining is shifting from development to full production

Results of Operations

For the period beginning January 9, 2016 and ending September 30, 2016, the Company reported a net loss of $6.2 million. The net loss was due to transaction costs and listing fee expenses as well as an increase in general and administrative costs, and external professional and legal fees the Company incurred to participate in the plan arrangement with Pan American and Maverix Private Co. which was completed on July 11, 2016.

Summary of Quarterly Results

The following table sets out selected condensed interim consolidated financial information for each of the three most recently completed quarters:

(thousands)	***Revenue*** ***$***	***Net Loss*** ***$***	***Loss per share*** ***$***
September 30, 2016	955	(6,177)	(0.08)
June 30, 2016	Nil	(84)	(0.02)
March 31, 2016	Nil	(39)	(0.01)

For the three months ended September 30, 2016, the Company reported a net loss of $6.2 million. As mentioned above the loss was primarily due to the charges related to the public company listing, transaction costs the Company incurred to participate in the RTO as well as increases in general and administration expenses also related to the Company's participation in the plan of arrangement.

Liquidity

The Company's liquid assets at September 30, 2016 were valued at $5.8 million, consisting of cash of $5.5 million and amounts receivable of $0.3 million. Substantially all of the Company's cash is on deposit with accredited Canadian Chartered Banks. The Company's working capital was $4.8 million at September 30, 2016.

We believe that our current financial resources and funds generated from operations will be adequate to cover anticipated expenditures for, general and administrative expense costs and capital expenditures for the foreseeable future.

Our long-term capital requirements are primarily affected by our ongoing acquisition activities. The Company currently, and generally at any time, has acquisition opportunities in various stages of active review. In the event of one or more substantial royalty and stream interest or other acquisitions, we may seek additional debt or equity financing as necessary.

Please refer to our risk factors included in Financial Risk Factors of this report for a discussion of certain risks that may impact the Company's liquidity and capital resources.

Capital Resources

The capital of the Company consists of common shares, warrants, and stock options. The Company's objective when managing capital is to try to maintain adequate levels of funding to support future stream and NSR acquisitions, and maintain its exploration properties until such time as they can be optioned to third parties or dropped. The Company attempts to manage its capital structure in a manner that will provide sufficient funding for operational activities. The Company and its subsidiaries are not subject to externally imposed capital requirements.

As at September 30, 2016, the Company owned two precious metal stream interests, one on a producing property in Mexico and one on a development stage property, also in Mexico. The Company also owned eleven NSR and payment agreement interests, one on a producing property in Mexico, one on a property currently being constructed and developed in Canada and nine on development and exploration/evaluation stage properties in Mexico, Canada, Peru and Argentina. The Company uses "evaluation stage" to describe exploration stage properties that contain mineralized material and on which operators are engaged in the search for reserves. We do not conduct mining operations on the properties in which we hold NSR and stream interests, and we are not required to contribute to capital costs, exploration costs, environmental costs or other operating costs on those properties. Currently, the Company generates sufficient revenue from our operating interests to cover current activities. In the event the Company's acquisition activities increase it would potentially seek external financing to help fund these acquisitions. At present, the Company believes it has sufficient liquidity to complete any future acquisitions pay for its general and administrative costs, and land holding costs, however the Company recognizes that it might be required to spend its liquid assets and raise additional financing if the magnitude of a specific acquisition is beyond its current capacity.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company's shareholders' equity at September 30, 2016 was $59.3 million.

Stock option and share compensation plan

Pursuant to the stock option and share compensation plan approved by shareholders at the June 17, 2016 shareholders meeting, On July 11, 2016, the Company granted 2,907,000 options to acquire common stock of the Company to officers and directors. These options are exercisable at $0.54 per share, expire in April 2021, and vest in two equal parts over two years from the date of the grant. The Board also approved the issuance of 264,600 common shares to directors as part of their compensation for director fees.

Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

Transactions with Related Parties

Related parties include officers, the Board of Directors, and enterprises which are controlled by these individuals.

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of officers and directors of the Company for the period beginning January 9, 2016 and ending September 30, 2016 was as follows:

	2016
	$(000's)
Share based compensation	**305**
Cash based compensation	**205**
Total compensation	**510**

On July 11, 2016, the Company granted 2,907,000 options to officers, employees and/or directors.

As at September 30, 2016, the Company owed $nil to related parties.

Critical Accounting Estimates

The preparation of condensed interim consolidated financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes to the financial statements.

Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates and these differences could be material. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

- *NSR and Stream Interests*
  NSR and stream interests include acquired NSR and stream interests in production, development and exploration stage properties. The costs of acquired NSR and stream interests are capitalized.

  Acquisition costs of production stage NSR and stream interests are depleted using the units of production method over the life of the mineral property (as NSR payments are recognized or sales occur under stream interests), which are estimated using proven and probable reserves as provided by the operator. Acquisition costs of NSR and stream interests on development stage mineral properties, which are not yet in production, are not amortized until the property begins production. Acquisition costs of NSR and stream interests on exploration stage mineral properties, where there are no proven and probable reserves, are not amortized. At such time as the associated exploration stage mineral interests are converted to proven and probable reserves, the cost basis is amortized over the remaining life of the mineral property, using proven and probable reserves. The carrying values of exploration stage mineral interests are evaluated for impairment at such time as information becomes available indicating that the production will not occur in the future. Exploration costs are expensed when incurred.

- *Functional currency*
  The functional currency for each of the Company's subsidiaries is the currency of the primary economic environment in which the entity operates. The Company has determined the functional currency of each entity is the US dollar. Determination of functional currency may involve certain judgements to determine the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

- *Estimation of depletion*
  The carrying amounts of the Company's mining properties are depleted based on recoverable ounces contained in proven and probable reserves and a portion of resources. The Company includes a portion of resources where it is considered probable that those resources will be economically extracted. Changes to estimates of recoverable ounces and depletable costs including changes resulting from revisions to the mine plans where the Company owns an NSR or stream interest and changes in metal price forecasts can result in changes to future depletion rates.

- *Assets' carrying values and impairment charges*
  In the determination of carrying values and impairment charges, management looks at the higher of recoverable amount or fair value less costs to sell in the case of assets and at objective evidence, significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

- *Income taxes and recoverability of potential deferred tax assets*
  In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers whether relevant tax planning opportunities are within the Company's control, are feasible and are within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence.

  Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

- *Share-based payments*
  Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

- *Contingencies*
  In the event the Company's estimates change, the Company will recognize the effects of the changes in its financial statements on the date such changes occur.

The significant accounting policies are outlined in Note 4 of the September 30, 2016 condensed interim consolidated financial statements.

Accounting standards issued but not yet adopted

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after January 1, 2016 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IFRS 9 *Financial Instruments* ("IFRS 9") was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

IFRS 15, Revenue from Contracts with Customers ("IFRS 15") In May 2014, the IASB and the Financial Accounting Standards Board ("FASB") completed its joint project to clarify the principles for recognizing revenue and to develop a common revenue standard for IFRS and US GAAP. As a result of the joint project, the IASB issued IFRS 15, Revenue from Contracts with Customers, and will replace IAS 18, Revenue, IAS 11, Construction Contracts, and related interpretations on revenue. IFRS 15 establishes principles to address the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Companies can elect to use either a full or modified retrospective approach when adopting this standard. On April 28, 2015, the IASB decided to defer the effective date of IFRS 15 to January 1, 2018. The Company is currently evaluating the impact of the financial reporting standard and amendments on its consolidated financial statements.

IAS 7, Statement of Cash Flows ("IAS 7") Amendments to IAS 7, Statement of Cash Flows were issued in January 2016 as part of the IASB's Disclosure Initiative. The amendments require certain enhanced disclosures of the cash and non-cash components of changes in liabilities resulting from financing activities and are required to be applied for years beginning on or after January 1, 2017. The Company is currently evaluating the impact of the amendments on its consolidated financial statements.

Financial Risk Factors

Risk Management
The Company may be exposed to risks of varying degrees of significance that could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management process are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below. There were no changes in the risks, objectives, policies and procedures during the period ended September 30, 2016.

Credit Risk Management
Credit risk relating to accounts receivable arises from the possibility that any counterparty to an instrument fails to perform. The Company does not feel there is significant counterparty risk that could have an impact on the fair value of cash and accounts receivable.

Liquidity Risk
The Company prepares budgets on an ongoing basis to determine the amount of funds required to support the Company's operations and planned acquisition activities. Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. The Company's liquid assets at September 30, 2016 consisted of cash of $5.5 million and accounts receivable of $0.3 million.

Market Risk
Revenue, cash flow, and profits from any of the Company's stream and will be influenced by precious and/or base metal prices and by the relationship of such prices to the pre-determined cost of purchasing the precious metal in the case of the Company's stream interests. Such prices can fluctuate widely and are affected by numerous factors beyond the Company's control.

The Company's ability to fund future exploration activities would have required the successful completion of financings. With the completion of the plan of arrangement the Company's need to complete financings to maintain its exploration properties, or in support of its operating activates has largely been removed.

Foreign Exchange Risk
Presently, the Company holds the majority of its cash in Canadian dollars, however it receives the majority of its revenue from gold sales and NSR receipts in United States Dollars ("USD"). Certain of the Company's expenses are incurred in foreign currencies and are therefore subject to gains or losses due to fluctuations in exchange rates. As at September 30, 2016, the Company had the following balances in foreign currencies:

	September 30, 2016	
(thousands)	Foreign Currency	$
Cash		
United States Dollar	$563	732

The Company does not undertake currency hedging activities to mitigate its foreign currency risk. If the United States Dollar ("USD") denominated financial instrument balances had remained consistent throughout the period, a 10% strengthening of the Canadian dollar against the USD would have decreased the loss for the nine months ended September 30, 2016 by $73.

Interest Rate Risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. It is management's opinion that the Company is not exposed to significant interest rate risk.

A sensitivity analysis has determined that an interest rate fluctuation of 1% would not have resulted in significant fluctuation in the interest income during the three-months ended September 30, 2016 or the period beginning January 9, 2016 and ending September 30, 2016.

Notes payable

At the time of the RTO transaction the Company had two loans plus accrued interest outstanding. The amounts due under each loan to each individual lender was $115 thousand and $59thousand respectively with interest of 1.5% per month, or part month (18% per annum) due by July 30, 2016. These amounts plus all accrued interest were repaid in the current quarter.

Fair Value of Financial Assets and Liabilities
The carrying values of cash, accounts receivable and accounts payable and accrued liabilities, approximate their respective fair values due to the short-term nature of these instruments.

The fair values together with the carrying amounts shown in the balance sheet are as follows:

	Carrying Amount	Fair Value
	As at September 30, 2016	
(thousands)	$	$
Cash	5,508	5,508
Amounts receivable	312	312
Accounts payable and accrued liabilities	(1,008)	(1,008)

Other MD&A Requirements
Capital Stock

Authorized
Authorized share capital as at September 30, 2016: Unlimited common shares without par value

Securities Issued
Securities issued during the period beginning January 9, 2016 and ending September 30, 2016:

Common Shares Issued and Outstanding at November 23, 2016

	Shares #
Shares issued at inception	18,625,000
Shares issued for subscription receipts	14,454,091
Shares issued under reverse takeover transaction	3,644,165
Shares issued for portfolio of assets	42,850,000
Issued under the stock option and share compensation plan	264,600
Issued and outstanding at September 30, 2016	79,837,856
Warrants granted to Pan American	20,000,000
Options granted under the stock option and share compensation plan	2,907,000
Fully diluted	102,744,856

Risks and Uncertainties

At the present time, the Company does not hold any interest in a mining property in production. The Company's viability and potential successes lie in its ability to generate revenue out of mineral deposits held by other companies. Revenues, profitability and cash flow from any future operations involving the Company will be influenced by precious and/or base metal prices and by the relationship of such prices to the costs of acquiring streams or NSR's and the ongoing payment obligations under the Company's Stream interests. Such prices have fluctuated widely and are affected by numerous factors beyond the Company's control.

Internal Financial Controls

Venture issuers, as defined in National Instrument 52-109 ("NI 52-109"), are not required to include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings. In particular, the Company's certifying officers are not making any representations relating to the establishment and maintenance of:

> i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
>
> ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Company's generally accepted accounting principles.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make. Investors should be aware that there are inherent limitations on the ability of the Company's certifying officers to design and implement internal controls over financial reporting and disclosure controls and procedures on a cost effective basis.

Change of directors and officers

Geoff Burns, Stefan Spicer, Christopher Barnes, Rob Doyle, Christopher Emerson, and George Brown were elected to serve as directors at a meeting of the Company's shareholders held on June 17, 2016. Thomas Skimming, William Danis, and Joseph Del Campo did not stand for re-election.

Thomas Skimming, Carmen Yuen, and George Brown resigned as officers of the Company effective on July 11, 2016 which coincided with the closing of the plan of arrangement.

Dan O’Flaherty, Wayne Vincent, Oggy Talic, and Doug Ward were appointed officers of the Company at that time.