

**Form 51-102F1**  
**Interim Management's Discussion and Analysis ("MD&A")**  
**for**  
**Strongbow Exploration Inc. ("Strongbow" or the "Company")**

**Containing Information up to and including September 29, 2016**

**Description of Business**

Strongbow Exploration Inc. ("Strongbow" or the "Company") is a Canadian mineral exploration company focused on building a strategic metals company through the acquisition and exploration of its portfolio of assets located in the United Kingdom and North America. The Company recently acquired rights to the South Crofty tin project in Cornwall, UK and it maintains an interest in exploration properties which are prospective for gold, tin and nickel in addition to holding a royalty on two tungsten assets. Shares of the Company trade on the TSX Venture Exchange ("TSX-V") under the symbol SBW.

The following discussion and analysis of the Company's financial condition and results of operations for the six months ended July 31, 2016, should be read in conjunction with the consolidated condensed interim financial statements for the six months ended July 31, 2016 and July 31, 2015 as well as the audited consolidated financial statements of the Company for the years ended January 31, 2016 and January 31, 2015, together with the notes thereto. These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

Unless otherwise noted, all currency amounts are stated in Canadian dollars.

**Forward-Looking Statements**

This MD&A may contain "forward-looking statements" within the meaning of Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements are made as of the date of this MD&A and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by law.

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events and include, but are not limited to, statements with respect to sources of and anticipated financing requirements, the Company's ability to continue as a going concern, the Company's ability to evaluate and develop the South Crofty tin project, the Company's ability to maintain its exploration and evaluation assets in good standing, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, success of exploration activities, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage.

These forward-looking statements include, among others, statements with respect to the Company's objectives for the ensuing year, our medium and long-term goals, and strategies to achieve those objectives and goals, as well as statements with respect to our beliefs, plans, objectives, expectations, anticipations, estimates and intentions. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," and words and expressions of similar import are intended to identify forward-looking statements. In particular, statements regarding the Company's future operations, future exploration and development activities or other development plans and estimated future financing requirements contain forward-looking statements.

All forward-looking statements and information are based on the Company's current beliefs as well as assumptions made by and information currently available to the Company concerning anticipated financial performance, business prospects, strategies, acquisitions, financings, regulatory developments, development plans, exploration and development activities and commitments. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other forward-looking statements will not be achieved. We

caution readers not to place undue reliance on these statements as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in such forward-looking statements.

These factors include, but are not limited to, developments in world financial and commodity markets, risks relating to fluctuations in the Canadian dollar and other currencies relative to the US dollar and the UK Pound Sterling, changes in exploration plans due to exploration results and changing budget priorities of the Company or its joint venture partners, changes in project parameters as plans continue to be refined; possible variations in ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing, the effects of competition in the markets in which the Company operates, the impact of changes in the laws and regulations regulating mining exploration and development, judicial or regulatory judgments and legal proceedings, operational and infrastructure risks and the Company's anticipation of and success in managing the foregoing risks. The Company cautions that the foregoing list of factors that may affect future results is not exhaustive. When relying on our forward-looking statements to make decisions with respect to the Company, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by the Company or on the Company's behalf, except as required by law.

A summary of the exploration activities for the Company follows, as well as a description of other corporate activities. These summaries include some discussion of management's future exploration plans. The reader is cautioned that actual results, performance or achievements may be materially different from those implied or expressed in these statements. The Company's exploration programs are subject to change from time to time, based on the analysis of results and changing corporate priorities, exploration targets and funding considerations.

### **Qualified Person**

Mr. Richard Williams, P.Geo. (BC), President and CEO of the Company and a "Qualified Person" under National Instrument ("NI") 43-101 is responsible for reviewing and approving the technical disclosure within this Interim MD&A.

### **Activities Update for the Six Months Ended July 31, 2016 and up to September 29, 2016**

The Company's focus during the six months ended July 31, 2016 and for the period following has primarily been the satisfaction of various conditions related to the acquisition of the South Crofty tin project, including the filing of a technical report for the project, completion of a financing and creditor approval of the CVA proposal. The acquisition of the South Crofty tin project closed on July 11, 2016.

#### *Acquisition of the South Crofty Tin Project, Cornwall, UK – July 2016*

On March 16, 2016, Strongbow entered into an agreement with Galena Special Situations Fund and Tin Shield Production Ltd. (a private company) ("Tin Shield") to acquire, from administration, a 100% interest in the South Crofty Tin Project ("South Crofty") and associated mineral rights in Cornwall, UK. Western United Mines Limited (in Administration) and Cornish Minerals Limited (Bermuda) (collectively the "Companies") hold the rights to the South Crofty underground mine permission area, plus an additional mineral rights over a further 7,500 Ha located in various parts of Cornwall, UK. The Companies were placed into administration in 2013 to protect the assets.

The material terms of the acquisition which closed on July 11, 2016 are as follows, all references to currency being in Canadian dollars unless otherwise specified:

- Strongbow entered into a purchase and sale agreement with the administrator managing the affairs of WUML and Cornish Minerals Limited (UK), the sole shareholder of the Companies (also in administration) to acquire the shares of the Companies and to fund the exit of WUML and Cornish Minerals Limited (UK) from administration by reaching a settlement of the claims owed to unsecured creditors. The unsecured creditors approved the proposal on June 10, 2016. Strongbow paid £143,000 (\$248,820) for the exit from administration.

- Galena, the only secured creditor, converted all debt owed to it into common shares of WUML and Strongbow acquired these shares, in return for future milestone payments, thereby completing the acquisition of 100% of the shares of the Companies.
- The UK holding company Cornish Minerals Limited (in administration) released the intra group indebtedness owed to it by WUML, amounting to £11,525,758.
- Upon closing of the acquisition, Strongbow reimbursed Tin Shield \$318,000 for operating costs incurred for the project from November 1, 2015 to February 29, 2016; Strongbow assumed responsibility for the monthly project operating costs as of March 2016. Also upon closing, Strongbow made a payment of US\$80,000 to Tin Shield to refund a shareholder loan made to Tin Shield.
- On July 11, 2016, Strongbow issued 2,000,000 common shares with a value of \$400,000 for the acquisition. A total of 1,050,000 common shares were issued to Galena and 950,000 common shares were issued to Tin Shield. The common shares are subject to a hold period that will expire November 12, 2016.

In addition to the reimbursement, loan repayment and shares issued on July 11, 2016, Strongbow agreed to the following additional payments and share issuances as part of the purchase and sale agreement with Galena and Tin Shield, whereby Galena and Tin Shield would split the payments 52.5% to Galena and 47.5% to Tin Shield:

- Strongbow will issue 1,000,000 common shares to Galena / Tin Shield upon receipt of a permit to increase water discharge from the old mine workings from 10,000m<sup>3</sup> per day to 25,000m<sup>3</sup> per day.
- Strongbow will make a payment to Galena / Tin Shield totaling \$2,000,000 (cash and / or common shares at Strongbow's election) on the second anniversary of the approval vote by creditors for WUML's exit from administration (date set at June 10, 2018). This payment has been accrued as a long-term liability and recorded as part of the South Crofty acquisition cost.
- Strongbow will issue 2,000,000 common shares to Galena / Tin Shield on delivery of a positive feasibility study or commencement of commercial production, whichever occurs first.
- Strongbow will make a cash and / or common share payment to Galena / Tin Shield equal to 25% of the Net Present Value ("NPV") of the project upon making a decision to go into production. In the event that Strongbow's market capitalization is less than the NPV of the project when a production decision is made, Strongbow will pay the equivalent of 25% of its market value to Galena / Tin Shield and the balance (between the 25% of market value and 25% of the NPV of the project) will be paid out as a 5% Net Profits Interest from production.
- In the event that Strongbow transfers any assets, rights, or entitlements to certain mineral rights which are not part of the core mineral rights (the "Other Mineral Rights") to a third party before the agreed consideration has been paid to Galena / Tin Shield, then Galena / Tin Shield will be entitled to receive a payment equal to 10% of any consideration received for the Other Mineral Rights, to a maximum of \$1,000,000.

South Crofty is located in Cornwall, UK, a world class tin district with a rich mining history spanning over 400 years. South Crofty is one of the best known past producing mines in the district and it is management's view that South Crofty represents one of the best tin opportunities currently available globally. Strong support for new mine development locally, and in the UK in general, is demonstrated by the recent start-up of the Drakelands tungsten-tin mine, owned by Wolf Minerals and located in the neighbouring county of Devon, the development of Dalradian Resources' Curraghinalt gold project in Northern Ireland, and Sirius Minerals' York Potash project in North Yorkshire. Management views these developments as positive for the potential future re-development of South Crofty. The acquisition of the South Crofty project fits into Strongbow's objective of acquiring high quality mining assets in the strategic metals space.

South Crofty has an active mine permit valid until 2071, subject to certain planning conditions being addressed. The mine permission area includes 26 former producing mines. Some of the tin lodes have been mined over a strike length of approximately 4km, and from surface to a depth of 1km. The lodes remain open along strike and to depth. Existing mine infrastructure that is potentially useable includes 4 vertical shafts with a combined depth of 2,940m. An area has been set aside for construction of a new process plant, if and when required.

A technical report entitled “*Technical Report and Resource Estimate on the South Crofty Tin Project, Cornwall, United Kingdom*” was filed on May 31, 2016 under Strongbow’s issuer profile on Sedar ([www.sedar.com](http://www.sedar.com)).

The resource estimate comprises two zones:

1. A Lower Mine tin-only resource;

<b>Lower Mine Mineral Resource Estimate at 0.60% Sn Cut-Off<sup>(1-12)</sup></b>			
	<b>Tonnes ('000s)</b>	<b>Sn Grade</b>	<b>Contained Sn (tonnes)</b>
Indicated Resource	1,660	1.81%	30,000
Inferred Resource	738	1.91%	14,100

2. An Upper Mine polymetallic resource, comprising tin, copper and zinc, previously reported as a tin equivalent (SnEq) grade only. Strongbow failed to provide details for each metal in the SnEq grade for the Upper Mine Resource in its news release dated April 19, 2016. This detail is provided below and the disclosure has been added to all other public documents where applicable.

<b>Upper Mine Mineral Resource Estimate at 0.60% SnEq Cut-off<sup>(1-12)</sup></b>					
	<b>Tonnes (k)</b>	<b>Sn %</b>	<b>Cu %</b>	<b>Zn %</b>	<b>SnEq %</b>
Indicated Resource	257	0.70	0.79	0.58	0.99
Inferred Resource	464	0.67	0.62	0.63	0.91

- (1) CIM definitions were followed for Mineral Resources.
- (2) The Qualified Persons for this Mineral Resource estimate are: Richard Routledge, M.Sc. (Applied), P.Geo. and Eugene Puritch, P.Eng. of P&E Mining Consultants Inc.
- (3) Mineral Resources are estimated by conventional 3D block modelling based on wireframing at a 0.50% SnEq cut-off grade and inverse distance to the power of 3 grade interpolation. The 0.5% Sn/SnEq cut-off for wireframing vs 0.6% Sn/SnEq cut-off for resource reporting is due to a shift to lower Sn prices between the commencement and finalization of this report.
- (4) SnEq is calculated using the formula:  $\%SnEq = Sn\% + (Cu\% \times 0.311) + (Zn\% \times 0.084)$ .
- (5) For the purpose of resource estimation, assays were capped at 20% Sn for the Lower Mine and 6% for Sn, 4% for Cu and 20% for Zn for the Upper Mine.
- (6) The 0.6% Sn/SnEq resource cut-off grade was derived from the approximate March 31, 2016 two year LME trailing average Sn price of US\$8.50/lb, Cu price of US\$2.75/lb, and Zn price of US\$0.90/lb, 88.5%, 85% and 70% respective process recoveries, smelter payable of 95% and Sn refining charges of US\$0.25/lb. Operating costs used were US\$55/t mining, US\$27/t processing and US\$9/t G&A.
- (7) Bulk densities of 2.77 tonnes/m<sup>3</sup> and 3.00 tonnes/m<sup>3</sup> have been applied for volume to tonnes conversion for the Lower and Upper Mine, respectively.
- (8) Mineral Resources are estimated from near surface to a depth of approximately 869 m.
- (9) Mineral Resources are classified as Indicated and Inferred based on drill hole and channel sample distribution and density, interpreted geologic continuity and quality of data.
- (10) The mineral resources have been depleted for past mining, however, they contain portions that may not be recoverable pending a future engineering study.
- (11) Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues. There is no certainty that all or any part of the Inferred Mineral Resource will be upgraded to an Indicated or Measured Mineral Resource as a result of continued exploration.
- (12) Figures in table are rounded and may not sum exactly.

#### Next Steps – South Crofty tin project

Work commenced in August 2016 on the surface planning consents which are required to keep the mine permit in good standing and, in September 2016, the surface planning documents were submitted to the Mineral Planning Authority for review.

In October 2016 the Company anticipates commencing water treatment testing to be in a position to apply for a water discharge permit in the first calendar quarter of 2017. If the required environmental approvals are received, it is expected to take approximately 18-24 months to de-water the mine.

The Company plans to commence a preliminary economic assessment (“PEA”) and start a drilling program before the year end.

*Acquisition of the Mactung and Cantung Royalties – March 2016*

In March 2016, the Company purchased a 4% NSR on the Mactung tungsten project (one-half of which (2%) may be purchased by the property owner at any time for \$2,500,000) and a 1% NSR on the Cantung tungsten project (collectively, the “Royalties”) from Teck Resources Limited (“Teck”). The Mactung project is located in the Yukon and the Northwest Territories; the Cantung project is located in the Northwest Territories. The Company paid \$1,500,000 to Teck upon closing of the acquisition and will make a further \$1,500,000 payment to Teck on the earlier of a development decision at Mactung or the re-commencement of commercial production at Cantung.

Osisko Gold Royalties Ltd., (“Osisko”), a significant shareholder of the Company, provided a \$1,500,000 interest-free line of credit to the Company to complete the royalty acquisition. Repayment of the loan is due upon any sale of the Mactung project by the Government of the Northwest Territories and is secured by the Royalties. Repayment of the loan is by conveyance of the Royalties to Osisko at Osisko's election at any time after the sale of the Mactung project by the Government of the Northwest Territories, or in cash under certain other circumstances.

The acquisition of the Mactung and Cantung royalties is part of the Company's plan to build a strategic metals company with a focus on high quality assets located in jurisdictions which are supportive of mining.

*Non-brokered Private Placement Financing – June/July 2016*

On May 31, 2016, the Company announced a non-brokered private placement financing of up to 40,000,000 Units at a price of \$0.125 per Unit for gross proceeds of up to \$5,000,000.

On June 28, 2016, the Company closed the first tranche of this financing, issuing 14,360,000 units at \$0.125 per unit for gross proceeds of \$1,795,000. Each Unit consisted of one common share and one whole share purchase warrant (the "Subscriber Warrant"). Each Subscriber Warrant allows the holder to purchase one common share of Strongbow at a price of \$0.20 until June 28, 2019, subject to the acceleration right described below. In connection with this financing, the Company paid a 5% finder's fee in cash of \$32,500 and issued 260,000 warrants (the “Finder's Warrants”) equivalent to 5% of the subscriptions introduced by the finder. The Finder's Warrants have the same exercise terms as the Subscriber Warrants and are subject to the acceleration right described below. The common shares issued as part of this private placement and any common shares issuable upon exercise of the Subscriber Warrants or Finder's Warrants are subject to a hold period which will expire October 29, 2016. Insiders of Strongbow acquired 5,300,000 units for gross proceeds of \$662,500 to the Company on the same terms and conditions as arm's-length subscribers.

On July 15, 2016, the Company closed the second tranche of this financing issuing 3,773,000 Units at a price of \$0.125 per Unit for gross proceeds of \$471,625; on July 19, 2016, the Company closed the third tranche of this financing issuing 150,000 units at a price of \$0.125 per Unit for gross proceeds of \$18,750. Each Unit consists of one common share and one whole share purchase warrant. Each Subscriber Warrant will allow the holder to purchase one common share of the Company at a price of \$0.20. The Subscriber Warrants are exercisable until July 15, 2019 and July 19, 2019, respectively, and subject to the Acceleration Right described below. The Company paid cash commissions of \$11,000 and issued 88,000 finder's warrants, exercisable on the same terms as the Subscriber Warrants, in connection with the second closing on July 15, 2016.

Acceleration Right

If on any 20 consecutive trading days the closing price of the Company's common shares (or the closing bid, if no sales were reported on a trading day) as quoted on the TSX-V (or such other stock exchange, quotation system or market on which such shares are then listed) is greater than \$0.50 during the term of the Warrants, then the Company may accelerate the expiry date of the Warrants to the 30th day after the date on which the Company gives notice to the subscriber of such acceleration in accordance with the Warrant. Any Warrants not exercised on or before such 30th business day will expire and will no longer be exercisable to acquire shares.

## **Results of Operations**

The Company's principal business activity is the acquisition and exploration of mineral properties which are prospective for strategic metals; the Company is focused on assets in Cornwall, UK and in North America. The Company currently has mineral property interests in the Canadian provinces of British Columbia, Saskatchewan, the Northwest Territories and Nunavut as well as in Alaska, U.S.A. During the six months ended July 31, 2016, the Company acquired the South Crofty tin project in the UK. Management expects that the South Crofty tin project will be the Company's primary focus in the coming months.

During the six months ended July 31, 2016 (the "**Current Period**"), the Company recorded a loss before income taxes of \$309,373 (\$0.01 loss per share) as compared to a loss of \$718,569 (\$0.07 loss per share) for the six months ended July 31, 2015 (the "**Comparative Period**"). Comprehensive loss for the Current Period totaled \$110,973 as compared to a comprehensive loss of \$720,369 in the Comparative Period. During the Current Period, the Company recorded an unrealized gain on marketable securities of \$172,608 as compared to a loss on marketable securities of \$1,800 in the Comparative Period. Also during the Current Period the Company record an income tax recovery of \$25,792 (Comparative Period - \$Nil) which relates to the unrealized gain on marketable securities.

During the Current Period, expenses totaled \$310,305 as compared to expenses of \$112,312 in the Comparative Period. Several expenses increased from the Comparative Period including: advertising and promotion (Current Period - \$47,723; Comparative Period - \$23,563), professional fees (Current Period - \$49,491; Comparative Period - \$31,159), share-based compensation (Current Period - \$42,309; Comparative Period - \$Nil) and salaries and benefits (Current Period - \$89,034; Comparative Period - \$11,000). Included in advertising and promotion expense of \$47,723 incurred during the Current Period are travel expenses primarily related to the Company's effort to acquire the South Crofty tin project in Cornwall, UK. Office, miscellaneous and rent of \$40,129 (Comparative Period - \$1,722) includes monthly office rental expense of \$3,975 which is payable to Helio Resource Corp., a company related by virtue of two common directors. In addition, the Company pays a monthly fee of \$1,500 to North Arrow Minerals Inc., a company related by virtue of two common directors. These payments commenced in September 2015. Professional fees of \$49,491 include accounting and audit fees, general legal expenses and legal fees related to due diligence and property evaluations, including legal fees related to the acquisition of the Mactung and Cantung royalties (described above). Share-based compensation expense of \$42,309 relates to the estimated fair value of the 2,200,000 stock options granted in October 2015, of which 80% had vested as of July 31, 2016. Salary expense increased to \$89,034 from \$11,000 in the Comparative Period as the Company's activity level increased. In September 2015, the Company started paying cash compensation to two executives, following a period of approximately two years of "care and maintenance" where no cash compensation was paid to Company executives.

Generative exploration expense of \$7,173 (Comparative Period - \$24,354) includes fees for technical analysis and changes in the asset retirement obligation. Other expenses incurred during the Current Period included regulatory and filing fees of \$24,071 (Comparative Period - \$13,204), and insurance expense of \$8,939 (Comparative Period - \$5,624).

Other factors that affected the Company's loss in the Current Period included a foreign exchange gain (Current Period - \$313; Comparative Period - loss of \$1,206) and interest income (Current Period - \$619; Comparative Period - \$Nil). An unrealized gain on marketable securities of \$172,608 (Comparative Period - \$1,800 unrealized loss) reduced the Company's comprehensive loss for the Current Period to \$110,973 (Comparative Period - comprehensive loss of \$720,369). In the Comparative Period the Company wrote-off exploration and evaluation assets of \$605,051; there was no comparable write-off in the Current Period.

### **Current Quarter**

During the three months ended July 31, 2016 (the "**Current Quarter**"), the Company's loss before taxes for the three months ended July 31, 2016 (the "**Current Quarter**") totaled \$150,025 as compared to a loss of \$673,823 in the three months ended July 31, 2015 (the "**Comparative Quarter**"). The Company incurred expenses of \$150,465 in the Current Period, as compared to \$67,197 in the Comparative Period, with the most significant increases in office, miscellaneous and rent, share-based compensation expense and salary expense, as discussed above. The Comparative Quarter's loss was most directly impacted by a \$605,051 write-off of exploration and evaluation assets related to the Shovelnose property in BC, which was sold to Westhaven Ventures Inc. ("Westhaven") in September 2015.

### **Assets and Liabilities**

Total assets increased to \$6,917,236 as at July 31, 2016 as compared to total assets of \$1,376,475 as at January 31, 2016. Current liabilities, consisting of accounts payable, accrued liabilities and an asset retirement obligation

decreased to \$172,704 as at July 31, 2016 as compared to \$219,474 as at January 31, 2016. Total long-term liabilities increased to \$3,042,110 as at July 31, 2016 from \$Nil as at January 31, 2016 as the Company utilized a \$1,500,000 line of credit provided by Osisko to acquire the Cantung and Mactung royalties (described above) and recorded a long-term liability of \$1,542,110 related to a future payment for the acquisition of the South Crofty tin project (also described above).

Property, plant and equipment (“PPE”) assets increased from \$8,853 as at January 31, 2016 to \$1,017,525 as at July 31, 2016 due to the allocation of the South Crofty acquisition cost to PPE (\$345,000) and land (\$645,000). Exploration and evaluation assets of \$3,159,047 represent 46% of total assets. During the Current Period, the Company capitalized \$2,391,903 related to the acquisition of South Crofty. The opening balance of \$713,850 for the Company’s exploration and evaluation assets relates to the July 2015 acquisition of the Sleitat and Coal Creek tin properties in Alaska. Included in this opening balance amount is \$650,000 which represents the estimated fair value of 6,500,000 common shares issued to the property vendors.

A summary of the Company’s capitalized exploration and evaluation assets is as follows:

	January 31, 2016	Expended During the Period	Write-off of Costs	July 31, 2016
<b>Tin Properties, Alaska, USA</b>				
Exploration costs	\$ 17,339	\$ -	-	\$ 17,339
Acquisition costs	690,123	-	-	690,123
Geological and assays	6,388	-	-	6,388
	<u>713,850</u>	<u>-</u>	<u>-</u>	<u>713,850</u>
<b>South Crofty, Cornwall, UK</b>				
Exploration costs	\$ -	\$ -	\$ -	\$ -
Acquisition (Note 3)	-	2,391,903	-	2,391,903
Acquisition costs	-	8,700	-	8,700
Geological and assays	-	9,104	-	9,104
Office and salaries	-	35,490	-	35,490
	<u>-</u>	<u>2,445,197</u>	<u>-</u>	<u>2,445,197</u>
	<u>\$ 713,850</u>	<u>\$ 2,445,197</u>	<u>\$ -</u>	<u>\$ 3,159,047</u>

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties is in good standing.

### Summary of Quarterly Results

The following table sets out selected unaudited quarterly financial information of Strongbow Exploration Inc. and is derived from the Company’s unaudited quarterly financial statements prepared by management. The Company’s consolidated financial statements are prepared in accordance with IFRS and are expressed in Canadian dollars.

<b>Quarter Ending</b>	<b>Interest Income \$</b>	<b>Loss from Continued Operation and Net Loss \$</b>	<b>Basic Loss per share<sup>(1)</sup> from Loss \$</b>	<b>Fully Diluted Loss per share<sup>(1)</sup> – from Net Loss \$</b>
July 31, 2016	Nil	(124,233)	(0.00)	(0.00)
April 30, 2016 <sup>(2)</sup>	619	(159,348)	(0.01)	(0.01)
January 31, 2016	Nil	(277,903)	(0.00)	(0.00)
October 31, 2015	Nil	(101,043)	(0.00)	(0.00)
July 31, 2015	Nil	(673,823)	(0.06)	(0.06)
April 30, 2015	Nil	(44,745)	(0.00)	(0.00)

January 31, 2015	11	(25,661)	(0.00)	(0.00)
October 31, 2014	19	(22,861)	(0.00)	(0.00)

- (1) Based on the treasury share method for calculating diluted earnings.
- (2) Opening retained earnings for the second quarter ending July 31, 2016 has been adjusted to reflect the capitalization of expenses from the three months ending April 30, 2016 related to the acquisition of the South Crofty tin project (described above and in Notes 3 and 10 to the consolidated condensed interim financial statements for the six months ended July 31, 2016).

The Company's quarterly losses are most affected by the write-off of exploration and evaluation assets, which typically cannot be predicted in advance. The Company was in a "care and maintenance" phase for most of the years ending January 31, 2015 and January 31, 2016. Following a recapitalization of the Company in July 2015, the Company's activity levels started to increase, resulting in a corresponding increase in the quarterly loss.

### **Liquidity and Capital Resources**

The Company's working capital as at July 31, 2016 was \$1,058,660 as compared to working capital of \$424,998 as at January 31, 2016. Cash increased by \$385,064 in the Current Period (Comparative Period – \$791,137) to \$913,365 as at July 31, 2016 (cash of \$858,158 as at July 31, 2015). Net cash used in operations during the Current Period totalled \$272,996 (Comparative Period - \$115,463). Changes in non-cash working capital items during the Current Period included an increase in receivables of \$6,268, a decrease in payables and accrued liabilities of \$5,036 and a decrease of \$2,840 in prepaid expenses. During the Current Period, the Company used \$3,056,025 (Comparative Period - \$49,053) for investing activities. Of this amount, \$1,500,000 was spent to acquire the Mactung and Cantung royalties, and the balance, allocated between exploration and evaluation assets and PPE, related to the acquisition of South Crofty. In addition, \$42,937 was spent to reduce an asset retirement obligation at the Nickel King project. Cash flows from financing activities provided \$3,714,085 in the Current Period (Comparative Period - \$955,653), consisting of an interest free line of credit of \$1,500,000 provided by Osisko to fund the Cantung and Mactung royalty acquisition in March 2016 and \$2,214,085 from the issuance of common shares from a private placement (see "*Non-brokered Private Placement Financing – June/July 2016*" above for details).

The fair value of the Company's marketable securities was \$289,600 as at July 31, 2016, of which \$286,000 is the estimated fair value of 2,200,000 common shares of Westhaven. Westhaven and the Company are related by virtue of a common director. In September 2015, the Company received 2,000,000 common shares from Westhaven for the Company's interest in the Shovelnose gold property in B.C. There can be no assurance that the Company will be able to sell its marketable securities when required to finance its activities.

As at July 31, 2016, the Company had certain minimum commitment for premises and leased office equipment. Please see the "*Commitments*" section below for further details.

Between June 28 and July 19, 2016, the Company closed a non-brokered private placement financing of 18,283,000 units at \$0.125 per unit for total gross proceeds of \$2,285,375 (see "*Non-brokered Private Placement Financing – June/July 2016*" above for details). Proceeds from this financing was used to complete the South Crofty tin project acquisition, and for general working capital. The Company expects further financing will be required to maintain its current activity levels and to further advance the South Crofty tin project.

The Company's financial statements have been prepared on the basis that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. However, the Company has sustained substantial losses from operations since inception and has no current source of revenue. Continued operations of the Company are dependent on the Company's ability to complete equity financings or generate profitable operations in the future. The Company's financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

Actual funding requirements may vary from those planned due to a number of factors, including results from exploration activities and the Company's ability to raise additional funds at favourable terms. Equity financings at the Company's stage of development continue to be challenging in the current economic environment, and result in dilution to existing shareholders. Dilution to existing shareholders from an equity financing increases as the share price decreases. In addition, market volatility and economic uncertainties have the potential to make future financing challenging. The Company's ability to generate cash is very much affected by the current market conditions, its share price and third party interest in its assets. The Company has no credit facilities that can be used



for ongoing operations because it has no operating cash flow; the line of credit provided by Osisko in March 2016 was solely to fund the acquisition of the Cantung and Mactung royalties (see Notes 9 and 11 of the consolidated condensed interim financial statements for the six months ended July 31, 2016 for details).

**Risks and Uncertainties**

The Company’s financial condition and future prospects are significantly affected by overall economic conditions. The Company has no source of operating revenue and relies on equity financings and, in recent years, the sale of marketable securities acquired from exploration option and purchase and sale agreements to finance its operations and in particular, to further exploration on its properties. Liquidity risk and going concern are the most significant risks faced by the Company at the present time, given its early stage of development.

Please refer to the Company’s Annual MD&A dated May 30, 2016; the risks and uncertainties have not changed materially from those identified in this disclosure document.

**Outstanding Share Data**

The Company’s authorized capital is unlimited common shares without par value. As at September 29, 2016, there were 45,890,694 common shares issued and outstanding.

As at September 29, 2016, the Company had the following stock options and warrants outstanding:

	Number of Shares	Exercise Price	Number Exercisable	Expiry Date
<b>Options</b>	2,220,000	\$ 0.11	1,776,000	October 23, 2020
<b>Warrants</b>	5,000,000	\$ 0.20	5,000,000	July 24, 2017
	14,620,000	0.20	14,620,000	June 29, 2019
	3,861,000	0.20	3,861,000	July 15, 2019
	150,000	0.20	150,000	July 19, 2019

Total share-based compensation recognized during the six months ended July 31, 2016 was \$42,309 (July 31, 2015 - \$Nil) relates to a grant of 2,220,000 stock options in October 2015. These stock options vest 20% on the date of grant and will vest 20% every three months thereafter, becoming fully vested one year from the grant date; as at July 31, 2016 the stock options are 80% vested. The stock options have a five year term and are exercisable at \$0.11.

The Company estimated a fair value of \$171,524 for the 2,220,000 stock options granted in October 2015 using the following assumptions:

	<b>Assumptions</b>
Risk-free interest rate	<b>0.84%</b>
Expected dividend yield	<b>0%</b>
Expected stock price volatility	<b>100%</b>
Expected option life in years	<b>5 years</b>
Forfeiture rate	<b>0%</b>

The finder’s warrants issued as part of the June and July 2016 private placements and recorded as share issue expense have been valued at \$29,764 based upon the Black-Scholes valuation model using the following assumptions:

	<b>Assumptions</b>
Risk-free interest rate	<b>0.55~0.56%</b>
Expected dividend yield	<b>0%</b>
Expected stock price volatility	<b>100%</b>
Expected option life in years	<b>3 years</b>
Forfeiture rate	<b>0%</b>

### **Transactions with Related Parties**

A summary of the transactions with related parties can be found in Note 13 of the consolidated condensed interim financial statements for the six months ended July 31, 2016 and 2015.

### **Commitments**

As at July 31, 2016, the Company is committed to minimum future lease payments for office premises as follows:

Year ending January 31, 2017	\$ 51,600
Year ending January 31, 2018	\$ 12,900

The Company's lease costs may be reduced due to recoveries through sub-leases.

### **Financial Instruments**

A description of the Company's financial instruments and the financial risks to which the Company is exposed can be found in Note 4 of the consolidated condensed interim financial statements for the six months ended July 31, 2016 and 2015.

### **Capital Management**

A description of the Company's capital management can be found in Note 17 of the consolidated condensed interim financial statements for the six months ended July 31, 2016 and 2015.

### **Significant Accounting Estimates and Judgments**

A description of the Company's significant accounting estimates and judgments can be found in Note 3a of the audited consolidated financial statements for the years ended January 31, 2016 and 2015. The significant accounting estimates and judgments did not change for the six months ended July 31, 2016.

### **Additional Disclosure for Venture Issuers Without Significant Revenue**

Additional disclosure concerning the Company's general and administrative expenses and exploration and evaluation assets is provided in the Company's consolidated statement of financial position, statement of changes in equity, statement of loss and comprehensive loss and the exploration and evaluation assets note contained in its consolidated condensed interim financial statements for the six months ended July 31, 2016 and 2015 as well as the Company's audited financial statements for the years ended January 31, 2016 and 2015 prepared in accordance with IFRS. These statements are available on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Additional Information**

Additional information relating to the Company is on SEDAR at [www.sedar.com](http://www.sedar.com) and is available on the Company's website at [www.strongbowexploration.com](http://www.strongbowexploration.com).

### **Approval**

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