BRAZIL RESOURCES INC

(An exploration stage company)

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED NOVEMBER 30, 2015

(Expressed in Canadian Dollars unless otherwise stated)

March 29, 2016

General

This management's discussion and analysis ("MD&A") of the financial condition and results of operations of Brazil Resources Inc. (the "Company" or "Brazil Resources") for the year ended November 30, 2015 should be read in conjunction with the Company's audited consolidated financial statements and the notes thereto for the years ended November 30, 2015 and 2014, copies of which are available on SEDAR at www.sedar.com.

The Company's audited consolidated financial statements for the years ended November 30, 2015 and 2014 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Unless otherwise stated, all information contained in this MD&A is as of March 29, 2016.

Unless otherwise stated, references herein to "$" or "dollars" are to Canadian dollars, references to "US$" are to United States dollars and references to "R$" are to Brazilian Real. References in this MD&A to the "Company" mean "Brazil Resources Inc.", together with its subsidiaries, unless the context otherwise requires.

Forward-Looking Information

This document contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively, "forward-looking statements"), including statements regarding the Company's: (i) future exploration and development plans; (ii) capital requirements and ability to obtain requisite financing; (iii) expectations respecting the receipt of necessary licences and permits, including obtaining extensions thereof; (iv) future acquisition strategy; and (v) mineral resource estimates. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "does not expect", "estimates", "intends", "anticipates", "does not anticipate", "believes" or variations of such words and phrases, or statements that certain actions, events or results "may, "could", "would", "should" or "will" be taken, occur or be achieved. Forward-looking statements are based on the then-current expectations, beliefs, assumptions, estimates and forecasts about the business and the industry and markets in which the Company operates including assumptions about general business and economic conditions, the availability of equity and other financing on reasonable terms or at all, including necessary financing to meet the Company's contractual obligations to maintain its property interests or exercise mineral options, commodities prices, the timing and ability to obtain requisite operational, environmental and other licences, permits and approvals, including extensions thereof, and the Company's ability to identify, complete and integrate additional mineral interests on reasonable terms or at all. Investors are cautioned that forward-looking statements are not guarantees of future performance and involve risks and uncertainties, including, but not limited to: the Company's limited operating history, general economic conditions, the Company may not be able to obtain necessary financing on acceptable terms or at all; the Company may lose or abandon its property interests; the Company's properties are in the exploration stage and are without known bodies of commercial ore; the Company may not be able to obtain or maintain all necessary permits, licenses and approvals; environmental laws and regulations may become more onerous; potential defects in title to the Company's properties; fluctuating exchange rates; fluctuating commodities prices; operating hazards and other risks of the mining and exploration industry; competition; potential inability to find suitable acquisition opportunities and/or complete the same and other risks and uncertainties listed in the Company's public filings, including those set out under "Risk Factors" in this MD&A. These risks, as well as others, could cause actual results and events to vary significantly. Accordingly, readers should not place undue reliance on forward-looking statements and information, which are qualified in their entirety by this cautionary statement. There can be no assurance that forward-looking information, or the material factors or assumptions used to develop such forward-looking information, will prove to be accurate. The Company does not undertake any obligations to release publicly any revisions for updating any voluntary forward-looking statements, except as required by applicable securities laws.

Business Overview

Brazil Resources Inc. is a public mineral exploration company with a focus on the acquisition, exploration and development of projects in Brazil, United States, Canada and other regions of the Americas. Brazil Resources is advancing its Whistler Gold-Copper Project (the "Whistler Project"), located in Alaska, United States, Cachoeira (the "Cachoeira Project") and São Jorge (the "Sao Jorge Project") Gold Projects, located in the State of Pará, northeastern Brazil and Rea Uranium Project (the "Rea Project"), located in the western Athabasca Basin in northeast Alberta, Canada.

Brazil Resources' common shares (the "BRI Shares") are listed on the TSX Venture Exchange under the symbol "BRI" and are traded on the OTCQX International Market under the symbol "BRIZF" and on the Frankfurt Stock Exchange under the symbol "BSR". The head office and principal address of the Company is located at Suite 1830, 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3, Canada.

Company Strategy

The Company's previously disclosed long-term growth strategy is premised on taking advantage of the current historically low valuations in the commodities markets to purse and execute accretive acquisitions of resource projects, primarily in the resource sector. This strategy is focused on identifying and acquiring projects that present compelling value for the Company's shareholders. In furtherance of this strategy, since 2012, the Company has completed the following acquisitions:

- In 2012, the Company completed the acquisition of the Cachoeira Project from Luna Gold Corp. ("Luna").

- In 2013, the Company acquired 100% of the outstanding shares of Brazilian Gold Corp ("BGC"), which resulted in the acquisition of several projects, including the São Jorge Project, the Surubim gold project, Boa Vista gold project and the Rea Project.

- In 2015, the Company acquired the Whistler Project from Kiska Metals Corporation ("Kiska").

In the current challenging commodities environment, the Company continues to assess potential acquisition opportunities, with a focus on projects that present acquisition costs below their replacement drilling and development costs.

Recent Developments

The following is a summary of selected recent developments in the Company's business.

- ***2015 Financing.*** On January 6, 2015, the Company completed a non-brokered private placement (the "2015 Private Placement") for gross proceeds of $4,456,928, consisting of 8,103,506 units (the "Units") at a subscription price of $0.55 per Unit. Each Unit consisted of one BRI Share and one share purchase warrant, entitling the holder thereof to acquire one BRI Share at an exercise price of $0.75 at any time within 60 months of closing. Net proceeds from the 2015 Private Placement were $4,276,088, after commissions of $132,917 paid on a portion of the placement to arm's length third parties and other costs of $47,923 in connection therewith.

- ***Whistler Project Acquisition*****.** On August 5, 2015, the Company completed the acquisition of the Whistler Gold-Copper Project, located 150 kilometers northwest of Anchorage, Alaska and consisting of 304 Alaska State Mineral Claims covering an area of 170 square kilometers. The project was acquired pursuant to an asset purchase agreement between the Company and Kiska and consideration paid by the Company under the transaction consisted of 3.5 million BRI Shares, which were subject to escrow provisions providing for release of such BRI Shares in 875,000 share instalments 5, 10, 15 and 20 months following closing.

- ***Whistler Project Mineral Resource Estimate.*** On September 9, 2015, Brazil Resources announced the completion of a National Instrument 43-101 ("NI 43-101") compliant mineral resource estimate for its Whistler Project. See "Mineral Properties" for further information regarding the mineral resource estimate and the Company's Whistler Project.

- ***Cost-Cutting Strategy.*** As part of its long-term strategy, the Company also initiated a strategy to lower its ongoing operational costs in 2015 to better position itself to take advantage of opportunities in current markets. As a result, the Company successfully reduced its general and administrative expenses by 50% from $1.4 million for the year ended November 30, 2014 to $700,000 for the year ended November 30, 2015. Additionally, the Company has adjusted its exploration and development plans to focus on project maintenance.

- ***2016 Financing.*** On February 26, 2016, the Company completed the initial tranche of a non-brokered private placement (the "2016 Private Placement") for gross proceeds of $3,393,023, consisting of 7,540,050 BRI Shares at a subscription price of $0.45 per share. On March 11, 2016, the Company completed an additional $1,106,978 pursuant to further subscriptions under the 2016 Private Placement and issued a further 2,459,950 BRI Shares.

Material Properties

The Company's principal exploration properties are its Whistler, São Jorge, Cachoeira and Rea projects.

Whistler Project

In August 2015, the Company completed the acquisition of the Whistler Project, located 150 kilometers northwest of Anchorage, Alaska. The acquisition was completed pursuant to the terms of an asset purchase agreement between the Company, Kiska and their respective wholly-owned subsidiaries dated July 20, 2015. The consideration paid by the Company under the transaction consisted of 3.5 million BRI Shares. Pursuant to the agreement, such BRI Shares are subject to escrow provisions, providing for their release in 875,000 instalments 5, 10, 15 and 20 months following closing. As a result of the transaction, the Company holds an indirect 100% interest in the Whistler Project.

The Whistler Project is comprised of 304 Alaska State Mineral Claims covering an area of 170 square kilometers. Exploration programs can be conducted from a 50-person all season exploration camp fully-equipped with an airstrip, 38 KW diesel generator, water well, septic system, fuel storage facility and assorted equipment. The Whistler deposit and adjacent prospects in the Whistler Orbit are connected to the camp and airstrip by a 6 kilometer access road.

On September 9, 2015, the Company announced the completion of a NI 43-101 compliant mineral resource estimate for the Whistler Project. In connection therewith, in November 2015, the Company completed and filed a NI 43-101 technical report respecting the Whistler Project titled "Resource Estimate for the Whistler Project, southcentral Alaska, USA" (the "Whistler Technical Report"). The Whistler Technical Report was authored by Susan Bird, P.Eng. and Robert J Morris, P.Geo. of Moose Mountain Technical Services and Alan Riles, B.Met., MAIG and had an effective date of August 15, 2015 (amended and restated on November 12, 2015). The report included the following resource estimate for the Whistler Project:

	Tonnes & Grade					Contained Metal			
Resources Category	Tonnes (Mt)	Au (g/t)	Ag (g/t)	Cu (%)	Au Eq.(1) (g/t)	Au (Moz)	Ag (Moz)	Cu (MIb)	Au Eq.(1) (g/t)
Indicated	79.2	0.51	1.97	0.17	0.88	1.28	5.03	302	2.55
Inferred	145.8	0.40	1.75	0.15	0.73	1.85	8.21	467	3.35

(1) Gold equivalent grade calculation for the Whistler Estimate was based on 75% recovery for gold and silver, 85% recovery for copper, US$990/oz gold, US$15.40/oz silver and US$2.91/lb copper.
(2) Totals may not represent the sum of the parts due to rounding.
(3) The Mineral Resources have been prepared by Moose Mountain Technical Services in conformity with "CIM Definition Standards for Mineral Resources and Mineral Reserves 2014".
(4) Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resource will be converted into mineral reserves.

Pursuant to a management services agreement dated August 5, 2015 (the "Management Services Agreement"), between Kiska and the Company, the Company has engaged Kiska to provide certain technical and management services to it in connection with the Whistler Project, including, technical interpretation of exploration data, on-site work, maintenance and other operational services for a period of 15 months in consideration for the payment by the Company to Kiska of $10,000 per month.

During the year ended November 30, 2015, the Company incurred $298,494 of expenditures on the Whistler Project, which included expenses associated with completion of the Whistler Technical Report, annual land fees and payments to Kiska in connection with the Management Services Agreement.

The Company intends to maintain the Whistler Project in good standing and there are no current exploration programs planned for 2016.

For further information regarding the Whistler Project, please refer to the Whistler Technical Report, a copy of which is available under the Company's profile at www.sedar.com.

São Jorge Project

The Company acquired the São Jorge Project in November 2013 pursuant to the terms of an arrangement agreement between the Company and Brazilian Gold Corporation ("BGC") dated September 29, 2013. This gold project consists of eleven gold exploration concessions and applications in the São Jorge area for a total of 58,500 hectares. The project is located 70 kilometers north of the city of Novo Progresso and 30 kilometers south of the town of Morais de Almeida in Pará State, Brazil. The project is accessible by highway BR 163, which connects the city of Cuiaba in Mata Grosso state with the Santarem port in Pará State. The São Jorge Project consists of 11 contiguous exploration licenses and applications, which covers an area of approximately 58,500 hectares.

During the year ended November 30, 2015, the Company incurred $188,382 of expenditures on the São Jorge Project, which included expenditures for consultants and surface rights payments required to maintain the São Jorge Project in good standing. For the year ended November 30, 2015, the Company did not conduct any exploration activity on the São Jorge Project.

The Company intends to maintain the Sao Jorge Project in good standing and there are no current exploration programs planned for 2016.

For further information respecting the São Jorge Project, please refer to the technical report by Porfirio Rodriguez and Leonardo de Moraes of Coffey Mining with an effective date of November 22, 2013 and titled "São Jorge Gold Project, Pará State, Brazil. Independent Technical Report on Mineral Resources", a copy of which is available under the Company's profile at www.sedar.com.

Cachoeira Project

In September 2012, the Company acquired an indirect 100% interest in the Cachoeira Project from Luna pursuant to the terms of a share purchase agreement dated July 10, 2012 between the parties, as amended from time to time (the "Cachoeira Agreement"). The project is located in Pará State, Brazil, approximately 250 kilometers southeast of the Pará State capital of Belém and about 270 kilometers northwest of the port city of São Luis, Maranhão State. The Cachoeira Project comprises one contiguous block consisting of three mining and three exploration licenses covering approximately 5,742 hectares.

During the year ended November 30, 2015, the Company continued working with its consultants to obtain a Preliminary Environmental License from the Secretaria de Estado de Meio Ambiente/Pará ("SEMA"). As previously disclosed, the Company submitted the requisite Environmental Impact Assessment to SEMA in 2013 in connection with this licencing process. On December 19, 2014, a public hearing was held in connection with this licence application. This hearing was validated by SEMA for the purpose of continuation of the analysis of the licencing process and, in September 2015, the Company received comments from SEMA as a result of their review of the Company's application and related materials, requesting additional clarification and further information. The Company has responded thereto and is awaiting SEMA's response.

As previously disclosed, in 2014, the Company submitted an assessment plan for the mining concessions within the Cachoeira Project, including certain conceptual engineering studies to the Departamento Nacional de Produção Mineral (the "DNPM"). The Company notes that such assessment plan does not constitute a preliminary economic assessment within the meaning of NI 43-101 and no production decision with respect to the project has been made to date.

Pursuant to the mining licenses underlying the Cachoeira Project, the Company was required to commence mining operations at the property by April 2014. Prior to this date, the Company submitted an application to the DNPM requesting an extension of two years. While the DNPM previously provided extensions to the prior operators of the Cachoeira Project, there can be no assurance that such extension will be granted in this case. The Company believes that work conducted to date provides sufficient justification to grant the extension.

During the year ended November 30, 2015, the Company incurred $711,658 of expenditures on the Cachoeira Project, which included a royalty obligation of $400,590 and expenditures for exploration, socio-economic, and environmental and permitting activities.

The Company has reduced expenditures on the Cachoeira Project while it awaits receipt of comments from the Brazilian regulatory authorities with respect to environmental licensing and permitting. In the interim, the Company continues to meet with local stakeholders. If an environmental license is received, the Company intends to evaluate whether to conduct additional engineering or other studies with respect to further development of the Cachoeira Project. Upon completion and granting of an environmental license, the Company will have an additional six months to implement an operational mining facility on the Cachoeira Project.

For further information respecting the Cachoeira Project, please refer to the technical report by Gregory Z. Mosher and Michael F. O'Brien of Tetra Tech with an effective date of April 17, 2013 and amended and restated as of October 2, 2013, and titled "Technical Report and Resource Estimate on the Cachoeira Property, Para State, Brazil", a copy of which is available under the Company's profile at www.sedar.com.

Rea Project

The Company acquired a 75% interest in the Rea Project as a result of its acquisition of BGC in September 2013. This uranium project is located in northeastern Alberta, Canada, approximately 185 km northwest of Fort McMurray.

The Rea Project consists of 15 contiguous exploration permits, which cover an area of 116,112 hectares in the western part of the Athabasca Basin and surrounds the Maybelle project held by Areva Resources Canada Inc. The north-northwest striking Maybelle River Shear Zone (the "MRSZ"), which is host to mineralization at Maybelle, extends for several kilometres on to the Rea project and is prospective for hosting similar mineralization on the Rea project. In addition, several parallel shear zones to the MRSZ have been identified by geophysical surveys and require follow-up exploration. The western Athabasca Basin has seen renewed exploration activity as a result of several discoveries in the last five years.

On March 9, 2015, the Company received an extension of the 6th period assessment expenditures to October 11, 2016, which was due February 11, 2016 and an extension of the 7th period to February 11, 2019, from the Alberta government. The extension was granted for a number of reasons, including land use designation uncertainty associated with the Lower Athabasca Regional Plan, delays in environmental permitting and consultation with First Nations and prolonged negotiations and closing of the acquisition of BGC during which time Brazil Resources could not complete exploration work on the project. The total assessment work now due on October 11, 2016 totals $2,681,531, assuming the total permit area of 116,112 hectares is retained. Environmental permits to conduct an exploration program have been received from the Alberta government and are valid until October 11, 2016. As of the date of this report, the Company plans to complete a winter ground geophysical (TDEM-time domain electromagnetic) over an airborne EM conductor to better locate and define this target. A follow-up summer drill program is planned to test a number of EM conductors including the one associated with the MRSZ.

For further information respecting the Rea Project, please refer to the technical report prepared by Irvine R. Annesley, Ph.D., P. Geo and Roy Eccles, M.Sc, P.Geol, titled "Technical Report on the Rea Property, Northeastern Alberta" with an effective date of September 12, 2014, a copy of which is available under the Company's profile at www.sedar.com.

Other Properties

In addition to the above projects, the Company, through its wholly owned subsidiaries, holds the following interests in additional properties:

- Surubim Project – the Company currently holds a 100% interest in the Surubim Project located in Pará State, Brazil. The project consists of three exploration licenses for a total area of 8,476 hectares; two of the smaller non-core concessions with a total area of 2,076 hectares are under appeal and the Company is awaiting a decision by the DNPM. On October 3, 2014, a final exploration report for an exploration concession within the Surubim Project, presenting the results of exploration work conducted on the property by BGC, including drilling programs, was submitted to the DNPM. Provided that the DNPM approves the submitted report, the Company would then have one year following such approval to present additional required studies to the DNPM and obtain environmental licensing, if the Company wishes to proceed with further work on that concession.

- Boa Vista Project – the Company currently holds an 84.05% interest in the Boa Vista Project located in Pará State, Brazil. The Boa Vista Project consists of two exploration licenses and one application for a total area of approximately 12,889 hectares.

- Batistão Project – the Company currently holds a 100% interest in the Batistão Project located in Goias State, Brazil. The Company is required to file an Economic Assessment Plan and the Preliminary Environmental License, together with the Mining Concession Application by January 2016. The Company has requested an extension of one year to submit the Mining Concession Application, due to the current market conditions and gold price which has deteriorated since the Final Exploration Report was submitted to DNPM in 2013. There are no assurances that DNPM will accept the Company's request for an extension; and

- Montes Áureos and Trinta Projects – the Company currently holds a 51% interest in the Montes Áureos and Trinta Projects located in Pará and Maranhão States, Brazil. A final report of work conducted on the Montes Áureos Project was submitted to DNPM on April 7, 2014. The Company's option to acquire an additional interest in this project has expired and it does not anticipate earning any further interest at this time.

The Company currently intends to hold these early stage properties in good standing with the intention of selling or optioning them to interested parties in 2016.

Material Properties Outlook

As previously disclosed, the Company is focused on identifying and completing additional acquisitions to further build shareholder value during the current challenged commodities environment. In furtherance thereof, the Company has determined to focus expenditures related to its existing project portfolio on project maintenance. Certain of the Company's properties, including its Cachoeira Project, Boa Vista Project and Surubim Project are subject to ongoing option and other agreements that require additional payments and share issuances by the Company. Please see "Contractual Obligations" for further information. While the Company currently intends to complete such option requirements and other obligations, in the event that the Company determines not to proceed with, or otherwise fails to make such payments, its interests in such projects may be lost. In addition, the Company plans to attempt to renegotiate existing property agreements and commitments in order to better position itself for its long-term strategy and reflect current market conditions. There can be no assurance that any renegotiation will be achieved on preferential terms or at all.

The Company anticipates incurring expenses of approximately $1.5 million in 2016 for mineral property obligations in connection with its projects to vendors, annual land fees and land owner surface rights payments. The most significant components of these expenses are $300,000 to Luna per the Cachoeira Agreement and $801,180 royalty payment in respect of the Cachoeira Project. In addition, pursuant to the Cachoeira Agreement, 1,214,000 BRI Shares and $5.5 million, payable in BRI Shares or cash, at the Company's discretion, are due and payable on September 24, 2016. See "Contractual Obligations" for further information.

Results of Operations

The following discussion and analysis of the Company's financial condition and results of operations for the years ended November 30, 2015, 2014 and 2013 should be read in conjunction with its audited consolidated financial statements and related notes for the year ended November 30, 2015.

Selected Financial Information

The following tables set out selected financial information with respect to the Company's operations for each of the years ended November 30, 2015, 2014 and 2013.

		For the year ended	
	November 30, 2015	November 30, 2014	November 30, 2013
Net loss for the period ($)	4,215,507	5,049,042	5,502,012
Net loss per share, basic and diluted ($)	0.05	0.07	0.13
Weighted average number of shares Outstanding, basic and diluted	80,931,563	71,472,649	41,966,940

The Company has not realized any significant revenues in any of such financial periods. The Company did not declare any dividends during the years ended November 30, 2015 and 2014.

Year ended November 30, 2015 compared to the year ended November 30, 2014

For the year ended November 30, 2015, the Company incurred total expenses of $4,343,334, compared to $5,298,529 for the year ended November 30, 2014. The reduction was primarily the result of decreased general and administrative expenses, exploration expenses, professional fees and project evaluation costs, partially offset by an increase in non-cash share-based compensation.

The Company incurred exploration expenses of $1,328,141 in fiscal 2015, compared to $1,912,590 in fiscal 2014. The decrease was primarily the result of a reduction in exploration activities on the Company's projects, partially offset by the addition of the Whistler Project in the current period. Exploration expenditures for fiscal 2015 consisted primarily of consultant services, land fees and surface rights payments required to maintain the projects in good standing, including a royalty payment of $400,590 for the Cachoeira Project ($343,200 for 2014), an annual land payment of $224,585 ($nil for 2014) for the Whistler Project and consulting fees of $279,807 ($489,088 for 2014) to vendors who provided geological and technical services respecting the Company's projects.

Exploration expenses on a project basis were as follows for the periods indicated:

	For the year ended November 30, 2015 ($)	For the year ended November 30, 2014 ($)	For the period from incorporation, September 9, 2009, to November 30, 2015 ($)
Cachoeira	711,658	1,332,844	4,378,249
São Jorge	188,382	198,850	389,479
Surubim	60,782	139,510	200,292
Whistler	298,494	-	298,494
Batistão	6,449	24,453	30,902
Montes Áureos and Trinta	-	8,037	1,817,908
Rea	27,085	137,119	164,204
Other Exploration Expenses	35,291	71,117	1,526,724
Total	1,328,141	1,912,590	8,806,252

Directors' fees, salaries and benefits, which include management and personnel salaries, were $727,532 in fiscal 2015, compared to $742,909 for fiscal 2014.

General and administrative expenses were $700,616 in fiscal 2015, compared to $1,417,581 in fiscal 2014. The decrease was primarily a result of the Company's strategy to reduce general and administrative expenses, including a reduction in corporate development, marketing and investor relations activities. The most significant components of general and administrative expenses for fiscal 2015 were development and marketing expenses of $250,917 ($797,783 for 2014) and transfer agent and regulatory fees of $80,913 ($111,054 for 2014).

Non-cash share-based compensation expenses were $496,324 in fiscal 2015, compared to a credit of $2,112 in fiscal 2014. The increase was a result of share option grants made by the Company in fiscal 2014. Such options were granted to directors, officers, employees and consultants of the Company and have an exercise price of $0.71 per BRI Share and are valid for a period of five years. The share options vest over an 18-month period.

Consulting fees, paid to corporate development, accounting, information technology and human resources service providers, were $336,710 in fiscal 2015, compared to $322,950 in fiscal 2014.

Professional fees were $228,391 in fiscal 2015, compared to $270,678 in fiscal 2014. The decrease was primarily a result of reduced legal and advisory services in relation to corporate activities and a reduction in audit and tax services provided to the Company.

The Company's share of loss on its investment in the Boa Vista Project was $124,013 in fiscal 2015, compared to $126,261 in fiscal 2014. The loss incurred on the joint venture was due primarily to expenses paid to maintain the Boa Vista Project. The joint venture remains an exploration project at this stage.

The Company's recognized a write-off of exploration and evaluation assets of $262,152 in fiscal 2015, compared to $260,247 in fiscal 2014. The write-off in 2015 resulted from the abandonment of the Company's Artulandia and Santa Julia projects in Brazil and Apa High project in Paraguay, where were determined by management to be non-prospective within the Company's current portfolio of mineral properties.

The Company's project evaluation costs were $30,968 in fiscal 2015, compared to $184,913 for fiscal 2014. The decrease was primarily a result of reduced evaluation activities in the current period.

The Company recognized a gain of $105,936 in fiscal 2015 in relation to the settlement of accounts payable. The gain was primarily a result of liabilities of BGC, which was acquired by the Company in 2014.

In fiscal 2015, the Company incurred a net loss of $4,215,507, or $0.05 per share on a basic and diluted basis, compared to $5,049,042, or $0.07 per share on a basic and diluted basis in fiscal 2014.

Year ended November 30, 2014 compared to the year ended November 30, 2013

For the year ended November 30, 2014, the Company incurred total expenses of $5,298,529, compared to $5,527,546 for the year ended November 30, 2013. The reduction was primarily the result of exploration expenses, partially offset by an increase in general and administrative expenses, professional fees, share of loss on the Company's investment in the Boa Vista project joint venture and project evaluation costs.

Exploration expenses were $1,912,590 in fiscal 2014, compared to $2,883,326 in fiscal 2013. The decrease was primarily a result of a reduction in exploration activities at the Company's Cachoeira and Artulândia Projects and reduced permitting and licensing expenditures respecting the Cachoeira Project. Exploration expenditures for fiscal 2014 consisted primarily of consulting fees of $489,088 ($787,751 for 2013) to vendors who provided geological and technical services respecting the Company's projects, a royalty payment of $343,200 ($nil for 2013), payroll and personnel of $317,095 ($263,334 for 2013) and permitting and licensing activities of $224,058 ($579,111 for 2013) all related to the Cachoeira Project. The Company incurred expenditures of $338,360 in fiscal 2014 in relation to its São Jorge Project and Surubim Project for consultants and surface rights payments required to maintain the properties in good standing.

Exploration expenses on a project basis were as follows for the periods indicated:

	For the year ended November 30, 2014 ($)	 November 30, 2013 ($)	For the period from incorporation, September 9, 2009, to November 30, 2014 ($)
Cachoeira	1,332,844	2,153,812	3,666,591
São Jorge	198,850	2,247	201,097
Surubim	139,510	-	139,510
Batistão	24,453	-	24,453
Montes Áureos and Trinta	8,037	56,513	1,817,908
Artulândia	38,776	597,437	1,290,986
Other Exploration Expenses	170,120	73,317	337,566
Total	1,912,590	2,883,326	7,478,111

General and administration expenses were $1,417,581 in fiscal 2014, compared to $1,091,618 in fiscal 2013. The increase was primarily a result of an expansion of the Company's operations, in particular, the acquisition of BGC in the fourth quarter of 2013. The most significant components of general and administration expenditures for fiscal 2014 were for corporate development and marketing of $797,783 ($570,778 for 2013), investor relations of $149,602 ($96,046 for 2013) and transfer agent and regulatory fees of $111,054 ($102,911 for 2013).

Directors' fees, salaries and benefits, which include management and personnel salaries, were $742,909 in fiscal 2014, compared to $749,582 in fiscal 2013.

Consulting fees, paid to corporate development, accounting and information technology service providers, were $322,950 in fiscal 2014, compared to $313,143 in fiscal 2013. The increase was primarily due to an increased number of consultants engaged as a result of an expansion in the Company's activities as a result of the acquisition of BGC.

Professional fees were $270,678 in fiscal 2014, compared to $183,905 in fiscal 2013. The increase was primarily due to increased legal and advisory services provided to the Company respecting general matters and corporate activities.

The Company recognized a write-off of exploration and evaluation assets of $260,247 in fiscal 2014, compared to $68,820 in fiscal 2013. The write-off in 2014 related to the three mineral properties located in Brazil, which were determined by management to be non-prospective within the Company's current portfolio of mineral properties.

Project evaluation costs were $184,913 in fiscal 2014, compared to $132,013 in fiscal 2013. The increase was primarily a result of increased costs associated with the review and due diligence conducted on certain acquisition opportunities.

The Company recognized a gain on settlement of provisions of $221,935 in fiscal 2014 as a result of settlements concluded with plaintiffs in a legal action commenced against a subsidiary acquired by the Company as a result of its acquisition of BGC. See "Provisions" for further information.

The Company's share of loss on its investment in the Boa Vista Project was $126,261 in fiscal 2014, compared to $nil in fiscal 2013. The loss incurred on the joint venture was due primarily to expenses paid to maintain the Boa Vista Project.

In fiscal 2014, the Company incurred a net loss of $5,049,042, or $0.07 per share on a basic and diluted basis, compared to a net loss of $5,502,012, or $0.13 on a basic and diluted basis, for fiscal 2013.

Three months ended November 30, 2015 compared to the three months ended November 30, 2014

For the three months ended November 30, 2015, the Company incurred total expenses of $1,596,550, compared to $1,262,551 for the same period of 2014. The increase was primarily the result of increased exploration expenses for the Whistler Project.

Exploration expenses were $801,958 in the fourth quarter of 2015, compared to $685,713 in the same period of 2014. The increase was primarily result of annual land payments of $224,585 for the Whistler Project. The most significant components of exploration expenditures in the fourth quarter of 2015 were the annual land payments for the Whistler Project and a royalty accrual of $400,590 in respect of the Cachoeira Project.

Exploration expenses on a project basis were as follows for the periods indicated:

	For the three months ended	
	November 30, 2015 ($)	November 30, 2014 ($)
Cachoeira	439,452	505,513
São Jorge	51,960	52,976
Surubim	13,365	44,916
Whistler	288,722	-
Batistão	1,542	2,091
Rea	-	72,775
Other Exploration Expenses	6,917	7,442
Total	801,958	685,713

Directors' fees, salaries and benefits, which include management and personnel salaries, were $179,842 in the fourth quarter of 2015, compared to $130,033 for the same period in 2014. The increase was as a result of the waiver of fees and salaries by directors and certain management for a portion of the fourth quarter of 2014.

General and administration expenses were $146,332 in the fourth quarter of 2015, compared to $226,849 in the same period of 2014. The decrease was primarily due to the reduction of the Company's activities with respect to corporate development and marketing.

Consulting fees were $55,858 in the fourth quarter of 2015, compared to $64,798 in the same period of 2014. The decrease was primarily due to the Company successfully renegotiating terms of certain consulting agreements in the fourth quarter of 2015.

In the fourth quarter of 2015, the Company incurred a net loss of $1,420,044, or $0.02 per share on a basic and diluted basis, compared to $1,038,024, or $0.01 per share, on a basic and diluted basis, for the same period of 2014.

Summary of Quarterly Results

The following table sets forth selected quarterly results financial results of the Company for each of the periods indicated. The Company did not have any revenues during such periods.

For the quarter ended	Net loss ($)	Basic and diluted net loss per share ($)
November 30, 2015	1,595,944	0.02
August 31, 2015	769,839	0.01
May 31, 2015	1,014,297	0.01
February 28, 2015	835,427	0.01
November 30, 2014	1,038,024	0.01
August 31, 2014	1,159,824	0.02
May 31, 2014	1,400,536	0.02
February 28, 2014	1,450,658	0.02

The expenses incurred by the Company are typical of junior exploration companies that have no known commercial quantities of mineral reserves. The Company's fluctuations in net loss from quarter to quarter were mainly related to exploration, permitting and licensing work as well as corporate activities conducted during the respective quarter.

Liquidity and Capital Resources

The following table sets forth selected information regarding the Company's financial position as at each of the periods indicated.

	As at November 30, 2015 ($)	As at November 30, 2014 ($)
Cash	1,445,056	798,512
Working capital	(127,197)	(484,875)
Total assets	22,716,444	26,022,811
Total current liabilities	1,720,961	1,469,225
Accounts payable and accrued liabilities	1,439,860	1,107,652
Current portion of long-term obligations	277,468	-
Total non-current liabilities	307,928	252,244
Shareholders' equity	20,687,555	24,301,342

At November 30, 2015, the Company had $1,445,056 in cash and a working capital deficiency of $127,197. In February and March 2016, the Company completed the 2016 Private Placement for gross proceeds of $4.5 million.

The Company had accounts payable and accrued liabilities of $1,439,860 at November 30, 2015, compared to $1,107,652 as at November 30, 2014. This included $1,312,972 of trade payables, comprised primarily of $801,180 royalty in respect of Cachoeira Project and $75,202 in professional fees, as at November 30, 2015, compared to $952,526 as at November 30, 2014.

The current portion of long-term obligations, consisting of payments required under the Cachoeira Agreement, were $277,468 as at November 30, 2015. Please see "Contractual Obligations" for further information. Mineral properties obligations, annual land fees and surface rights payments for the year ending November 30, 2016 are anticipated to be approximately $1,475,000. Corporate and general costs to maintain the Company in good standing are anticipated to be approximately $1.2 million for the fiscal year ended 2016.

Based upon management's decision to maintain its current projects in good standing with the intention of advancing them once the junior resource sector, capital markets and precious metals prices improve, and completion of the 2016 Private Placement of $4.5 million, management believes that available cash will be adequate to meet ongoing liquidity needs in the short-term and over the next year for the Company's existing business and projects. Future expansion, including the acquisition of additional mineral properties or interests, may require additional financing, which the Company may obtain through equity and/or debt financing.

The Company's ability to meet its obligations and finance exploration and development activities over the long-term depends on its ability to generate cash flow through the issuance of BRI Shares pursuant to equity financings and short-term or long-term loans. Capital markets may not be receptive to offerings of new equity from treasury or debt, whether by way of private placements or public offerings. The Company's growth and success is dependent on external sources of financing, which may not be available on acceptable terms or at all.

Cash Flows

Operating Activities

Net cash used in operating activities was $3,200,059 in fiscal 2015, compared to $4,863,840 in fiscal 2014. Significant operating expenditures during the current year included mineral property expenditures, directors' fees, salaries and benefits and general and administrative expenses. The decrease of net cash used in operating activities is due to the Company's cost-cutting strategy. The Company lowered its ongoing operational costs in 2015 by reducing its general and administration expenses by 50% from fiscal 2014 and adjusting its exploration and development plans to focus on project maintenance.

Investing Activities

Net cash used in investing activities in fiscal 2015 was $330,613, compared to $638,467 in fiscal 2014. Investments in exploration and evaluation assets in connection with Surubim Project used cash of $147,408 in fiscal 2015, compared to $145,617 in fiscal 2014. Our investment in the Boa Vista project joint venture, consisting of expenses incurred to maintain the project, were $180,443 in fiscal 2015, compared to $193,650 in fiscal 2014. Investing activities in 2014 included a $300,000 payment to Luna pursuant to the Cachoeira Agreement.

Financing Activities

Net cash provided by financing activities was $4,255,203 in fiscal 2015, compared to $6,128,459 in fiscal 2014. The 2015 Private Placement provided net proceeds of $4,276,088 in fiscal 2015. In fiscal 2014, the Company completed a private placement for gross proceeds of $6,407,841 (net cash proceeds of $6,095,480 after the Company paid cash commissions of $231,761 and other cash share issuance costs of $80,600).

Contractual Obligations

General and Administrative

The Company is renting or leasing various offices located in Canada and Brazil with total monthly payments of $13,187. Office lease agreements expire between January 2016 and March 2021. Payments required under the Management Services Agreement with Kiska and landowner surface rights agreements relating to the Company's Brazilian properties are expected to be $190,786 for the year ended November 30, 2016.

Mineral Projects

Cachoeira Project

Pursuant to the Cachoeira Agreement, the Company is required to make the following additional cash and share payments to Luna: (i) $300,000 cash and 1,214,000 BRI Shares within 30 days of receipt of approval of a mine development plan by the DNPM and the environmental preliminary licenses for a gold mining operation relating to the Cachoeira Project; (ii) $2,500,000, payable in cash or BRI Shares, at the Company's sole discretion, upon commencing mine construction at the Cachoeira Project, consisting of completion of $500,000 of expenditures towards such construction; and (iii) $3,000,000, payable in cash or BRI Shares, at the Company's sole discretion, one year after achieving commercial production at the Cachoeira Project. Notwithstanding the foregoing milestones, all of the payments from the Company to Luna will become due and payable on September 24, 2016. These obligations are secured by, among other things, a promissory note issued by the Company and a pledge of the shares of the subsidiaries of the Company that hold the Cachoeira Project. Any discretionary share-based payments will be valued based on the volume weighted average trading price of the BRI Shares for the 10 days prior to such payment.

In addition, the Cachoeira Project is subject to a 4.0% net smelter return royalty payable to third parties by the Company's subsidiary on future production. A minimum payment of US$300,000 per year in lieu of the royalty is payable in the event that production was not achieved by October 3, 2014. The Company has not made such payment for the year ended November 30, 2015 and 2014 and is currently negotiating with the parties to defer the payment until all permits and licenses have been received and production is achieved. While the royalty holders previously granted similar extensions to the prior operator, there can be no assurance that the Company will be able to obtain the same on acceptable terms or at all.

Boa Vista Project

Pursuant to the terms of a surface rights agreement ("Boa Vista Surface Rights Agreement") dated March 2008, as amended May 2010 and June 2013, BGC was required to make cash payments in installments totalling R$4,400,000 in consideration for the acquisition. BGC paid R$80,000 before it was acquired by the Company. The Company paid R$160,000 during the year ended November 30, 2014. In March 2015, the Company and the surface rights holder of the Boa Vista Project agreed to amend the terms of the Boa Vista Surface Rights Agreement. Pursuant to the amended agreement, BGC made two payments totalling of R$120,000 in 2015 and will make the remaining cash payments in the aggregate amount of R$3,620,000 as follows in order to retain the surface rights to the property:

- R$40,000 due on each of March 20, 2016, September 20, 2016, March 20, 2017, on September 20, 2017 and March 20, 2018; and
- R$3,420,000 due on September 20, 2018.

Surubim Project

BGC entered into an option agreement (the "Jarbas Agreement") on February 11, 2010, as amended January 16, 2011 and March 23, 2015, pursuant to which BGC had the option to acquire a certain exploration license by paying R$3,900,000 in six annual installments, until December 17, 2015. BGC paid R$800,000 before its acquisition by Brazil Resources. Pursuant to this agreement, the Company paid R$80,000 in fiscal 2014. The Jarbas Agreement was renegotiated and amended in 2015, and as a result, a payment of R$35,000 was made in March 2015 and the Company will make the following additional cash payments under the option:

- R$50,000 in each of March 2016 and 2017; and
- R$3,000,000 in March 2018.

The Company also agreed to fund the costs, up to R$20,000, for the option or under the Jarbas Agreement to apply for a Permissão de Lavra Garimpeira, or PLG, which is a permit for independent artisanal and small scale mining over a limited area and depth of the mineral rights subject to the Jarbas Agreement to be determined by the parties.

Pursuant to an option agreement between BGC and Altoro Mineração Ltda. ("Altoro") dated November 5, 2010, as amended on December 3, 2010 and December 14, 2012, BGC was granted the option to acquire certain exploration licenses for aggregate consideration of US$850,000 to Altoro. BGC paid US$150,000 before its acquisition by Brazil Resources, and an additional cash payment of US$100,000 was made in December 2013. Pursuant to the Altoro Agreement, a cash payment of US$650,000 is payable upon the DNPM granting a mining concession over the exploration permit.

Whistler Project

The Whistler Project's exploration activities are subject to the State of Alaska's laws and regulations governing the protection of the environment. The Company has recognised a rehabilitation provision of $307,928 as at November 30, 2015 to comply with such laws and regulations.

Provisions

In 2012, eighteen employees of RAC Treinamento Ltda. ("RAC") filed labour lawsuits in Brazil to claim unpaid wages and benefits during a period which they were employed by RAC. RAC performed drilling services for BGC's wholly owned subsidiary Mineração Regent Brasil Ltda. ("Regent") from January 27, 2011 to June 27, 2011. According to Brazilian labor law, if RAC fails to pay the amounts awarded by the Court's final decision, Regent is required to assume the liability. Since RAC is insolvent and not attending court hearings, Regent is required to pay the awarded amounts, despite the fact that Regent is in compliance with Brazilian labour laws.

At November 30, 2014, the provision recorded was $337,055 according to settlements with the plaintiffs which occurred in November 2014. At November 30, 2015, the provision was decreased from $337,055 to $nil after the Company paid $337,055 to the plaintiffs during the year ended November 30, 2015, in accordance with the plaintiffs' settlement agreements. After full payment to the plaintiffs, Regent has the right of recourse against RAC. The Company has not determined if it will pursue the right of recourse at this time.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the Company's financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

Transactions with Related Parties

Related Party Transactions

During the year ended November 30, 2015, the Company entered into the following related party transactions:

- During the year ended November 30, 2015, the Company incurred $41,200 (2014: $40,000) in consulting fees for corporate development consulting services rendered by Arash Adnani, a direct family member of a director. The fees paid were for business development services, including introducing the Company to various parties in the areas of project generation, corporate finance groups and potential strategic partners, and are within industry standards. As at November 30, 2015, $2,730 was payable to such related party (2014: $nil).

- During the year ended November 30, 2015, the Company incurred $5,070 (2014: $27,388) in general and administrative expenses related to website design, video production, website hosting services and marketing services paid to Blender Media, which is controlled by Arash Adnani, a direct family member of a director. The fees paid were commensurate to fees charged to Blender Media's other clients for similar services provided. As at November 30, 2015, $903 was payable to such related party (2014: $24,518).

Related party transactions are entered into based on normal market conditions at the amounts agreed to by the parties. As at November 30, 2015, the Company has not entered into any contracts or undertaken any commitment or obligation with any related parties other than as disclosed herein.

Transactions with Key Management Personnel

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers. Key management compensation, including directors' fees, for the years ended November 30, 2015 and 2014 comprised of:

	For the year ended	
	November 30, 2015 ($)	November 30, 2014 ($)
Fees, salaries and benefits(1)	141,372	167,400
Share-based compensation	77,932	-
Total	219,304	167,400

(1) Total directors' fees, salaries and benefits of $727,532 disclosed on the consolidated statement of comprehensive loss for the year ended November 30, 2015 includes $108,000 and $33,372 paid to the Company's Chief Executive Officer and Chief Financial Officer, respectively, $317,759 in fees paid to the Company's president and directors, and $268,401 paid for employees' salaries and benefits. Total directors' fees, salaries and benefits of $742,909 disclosed on the consolidated statement of comprehensive loss for the year ended November 30, 2014 includes $135,000 and $32,400 paid to the Company's Chief Executive Officer and Chief Financial Officer, respectively, $222,500 in fees paid to the Company's directors, and $353,009 paid for employees' salaries and benefits.

Total compensation payable, including share-based compensation, to key members of management and directors in the year ended November 30, 2015 was $219,304 (2014: $167,400). Compensation is comprised entirely of employment and similar forms of remuneration. Management includes the Chief Executive Officer and Chief Financial Officer, who is also a director of the Company.

Adoption of New and Amended IFRS Pronouncements

Effective December 1, 2014, the Company adopted the following new and revised accounting standards.

Amendment to IAS 32 Offsetting Financial Assets and Financial Liabilities

In December 2011, the IASB issued an amendment to clarify the meaning of the offsetting criterion and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement. Earlier application is permitted when applied with corresponding amendment to IFRS 7. The adoption of this amendment did not have a material impact on the consolidated financial statements.

Amendment to IAS 36 Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets

In May 2013, the IASB, as a consequential amendment to IFRS 13 Fair Value Measurement, modified some of the disclosure requirements in IAS 36 regarding measurement of the recoverable amount of impaired assets. The amendments resulted from the IASB's decision in December 2010 to require additional disclosures about the measurement of impaired assets (or a group of assets) with a recoverable amount based on fair value less costs of disposal. The adoption of this amendment did not have a material impact on the consolidated financial statements.

Amendment to IAS 39 Novation of Derivatives and Continuation of Hedge Accounting

In June 2013, the IASB issued a narrow scope amendment to IAS 39. Under the amendment, there would be no need to discontinue hedge accounting if a hedging derivative was novated, provided that certain criteria are met. The adoption of this amendment did not have an impact on the consolidated financial statements as the Company does not currently engage in any hedging activity.

IFRIC 21 Levies

IFRIC 21 clarifies that an entity recognises a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be anticipated before the specified minimum threshold is reached. The adoption of this standard did not have a material impact on the consolidated financial statements.

Annual Improvements 2010-2012 Cycle

These improvements are effective from July 1, 2014. The Company has applied these improvements for these consolidated financial statements.

IFRS 2 Share-based Payments

This improvement is applied prospectively and clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions, including:

- a performance condition must contain a service condition;
- a performance target must be met while the counterparty is rendering service;
- a performance target may relate to the operations or activities of an entity, or to those of another entity in the same group;
- a performance condition may be a market or non-market condition; and
- if the counterparty, regardless of the reason, ceases to provide service during the vesting period, the service condition is not satisfied.

IFRS 3 Business Combinations

The amendment is applied prospectively and clarifies that all contingent consideration arrangements classified as liabilities (or assets) arising from a business combination should be subsequently measured at fair value through profit or loss whether or not they fall within the scope of IFRS 9 (or IAS 39, as applicable).

IFRS 8 Operating Segments

The amendments are applied retrospectively and clarify that:

- an entity must disclose the judgements made by management in applying the aggregation criteria in paragraph 12 of IFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics (e.g., sales and gross margins) used to assess whether the segments are 'similar'; and
- the reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker, similar to the required disclosure for segment liabilities.

IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets

The amendment is applied retrospectively and clarifies in IAS 16 and IAS 38 that the asset may be revalued by reference to observable data on either the gross or the net carrying amount. In addition, the accumulated depreciation or amortisation is the difference between the gross and carrying amounts of the asset.

IAS 24 Related Party Disclosures

The amendment is applied retrospectively and clarifies that a management entity (an entity that provides key management personnel services) is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services.

Future Changes in Accounting Policies

At the date of approval of the consolidated financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective. The standards, amendments and interpretations issued, which the Company reasonably expects to be applicable at a future date, are listed below. The Company intends to adopt those standards, amendments and interpretations when they become effective. The Company expects no material impact from the adoption of these standards, amendments and interpretations on its financial position or performance.

IFRS 9 Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. Early application of previous versions of IFRS 9 (2009, 2010 and 2013) is permitted if the date of initial application is before February 1, 2015.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes. IFRS 15 is effective for annual reporting periods beginning on or after January 1, 2018, with early adoption permitted.

IFRS 16 Leases

In January 2016, the IASB published a news standard, IFRS 16. The new standard provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the least term is 12 months or less or the underlying asset has a low value. Lessor accounting remains largely unchanged from IAS 18 and the distinction between operating and finance leases is retained. The standard is effective for annual period beginning on or after January 1, 2019.

Amendments to IFRS 11 Joint Arrangements: Accounting for Acquisitions of Interests

The amendments to IFRS 11 require that a joint operator accounting for the acquisition of an interest in a joint operation, in which the activity of the joint operation constitutes a business must apply the relevant IFRS 3 principles for business combinations accounting. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition of an additional interest in the same joint operation while joint control is retained. In addition, a scope exclusion has been added to IFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party.

The amendments apply to both the acquisition of the initial interest in a joint operation and the acquisition of any additional interests in the same joint operation and are prospectively effective for annual periods beginning on or after January 1, 2016, with early adoption permitted.

Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments clarify the principle in IAS 16 and IAS 38 that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets.

The amendments are effective prospectively for annual periods beginning on or after January 1, 2016, with early adoption permitted.

Amendments to IAS 1 – Disclosure Initiative

In December 2014, amendments to IAS 1 were issued to address perceived impediments to preparers exercising their judgement in presenting their financial statements. The amendments clarify the definition of materiality, the presentation of items on the statement of financial position and statement of profit or loss and other comprehensive income, and ordering of notes in the financial statements.

Financial Instruments and Risk Management

The Company's financial assets include cash, other receivables and available-for-sale securities. The Company's financial liabilities include accounts payable and accrued liabilities, due to related parties and current and long-term obligations. The Company uses the following hierarchy for determining and disclosing fair value of financial instruments:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs have a significant effect on the recorded fair value which are observable, either directly or indirectly.
- Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table sets forth the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis by level within the fair value hierarchy. As at November 30, 2015, those financial assets and liabilities are classified in their entirety based on the level of input that is significant to the fair value measurement.

	Level 1 ($)	Level 2 ($)	Level 3 ($)	Total ($)
Financial Assets				
Cash	1,445,056	-	-	1,445,056
Available-for-sale securities	5,000	-	-	5,000
Financial Liabilities				
Long-term obligations	-	277,468	-	277,468

The valuation techniques used to measure fair value are as follows:

- The fair value of available-for-sale securities is determined by obtaining the quoted market price of the available-for-sale security and multiplying it by the quantity of shares held by the Company.

- The fair value of the long-term obligation is determined by discounting the amounts payable using a market rate of interest for a similar instrument of an issuer with similar credit rating.

Financial risk management objectives and polices

The financial risk arising from the Company's operations are currency risk, credit risk, liquidity risk and commodity price risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how the Company mitigates these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

Currency risk

The Company's operating expenses and acquisition costs are denominated in United States dollars, the Brazilian Real, the Paraguayan Guarani and Canadian dollars. The exposure to exchange rate fluctuations arises mainly on foreign currencies against the Company's functional currency, being the Canadian dollar. The Company has not entered into any derivative instruments to manage foreign exchange fluctuations; however, management monitors foreign exchange exposure.

The Canadian dollar equivalents of the Company's foreign currency denominated monetary assets are as follows:

	As at November 30, 2015 ($)	As at November 30, 2014 ($)
Assets		
United States Dollar	35,900	13,170
Brazilian Real	74,069	204,462
Paraguayan Guarani	3,679	3,765
Total	113,648	221,397

The following table demonstrates the sensitivity to a 5% change in the exchange rate of the foreign currencies to Canadian dollar on the Company's foreign currency denominated financial instruments based on balances at November 30, 2015 and 2014.

	Effect on loss for the year ended November 30, 2015 Increase/(Decrease) ($)	Effect on loss for the year ended November 30, 2014 Increase/(Decrease) ($)
+5%	5,682	11,070
- 5%	(5,682)	(11,070)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's interest bearing financial asset is cash, which bears interest at fixed or variable rates. The Company does not believe it is exposed to material interest rate risk related to this instrument. As such, the Company has not entered into any derivative instruments to manage interest rate fluctuations.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Credit risk for the Company is primarily associated with the Company's bank balances, the goods and service tax receivable ("GST"), the harmonized sales tax receivable ("HST") and refundable cash advances towards contemplated transactions.

The Company mitigates credit risk associated with its bank balance by only holding cash with large, reputable financial institutions.

The GST and HST receivable includes amounts that have been accumulated to date in the Company. At November 30, 2015, 100% of the GST and HST receivable was due from the Canadian Government Taxation Authority.

When entering into property acquisition agreements, the Company uses industry standard agreements and initial payments or advances prior to closing of transactions are meant to be refundable in the event completion of a transaction is not attained. Furthermore, deposit amounts are kept to a minimum in order to mitigate any credit risk associated with a pending transaction.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to settle or manage its obligations associated with financial liabilities. To manage liquidity risk, the Company closely monitors its liquidity position and ensures it has adequate sources of funding to finance its projects and operations. The directors of the Company are of the opinion that, taking into account the Company's current cash reserves, its network of sophisticated and accredited investors from which to raise capital and the Company's ability to respond appropriately to negative market conditions, it has sufficient working capital for its present obligations for at least the next twelve months commencing from November 30, 2015. The Company's working capital as at November 30, 2015 was ($127,197). In February 2016, the Company completed the 2016 Private Placement of $4.5 million. The Company's other receivables, deposits, accounts payable and accrued liabilities, due to related parties and current portion of long-term obligations are expected to be realized or settled, respectively, within a one year period.

In the normal course of business, the Company enters into contracts that give rise to commitments for future minimum payments. The following summarizes the remaining contractual maturities of the Company's financial liabilities:

	As at November 30, 2015 ($)		As at November 30, 2014 ($)	
	Due within 1 year	2-5 years	Due within 1 year	2-5 years
Accounts payable and accrued liabilities	1,439,860	-	1,107,652	-
Due to related parties	3,633	-	24,518	-
Current portion of long-term obligations	277,468	-	-	-
Long-term obligations	-	-	-	252,244
Total	1,720,961	-	1,132,170	252,244

Commodity price risk

The Company's profitability is dependent on prices of the minerals it is able to realize. Mineral prices are affected by numerous factors such as interest rates, exchange rates, inflation or deflation and global and regional supply and demand. The Company currently has no mines in production and therefore has limited exposure to commodity price risk.

The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of precious metals and other commodities. The Company monitors commodity prices to help determine the appropriate course of action to be taken.

Outstanding Share Data

As at the date hereof, the Company has 94,168,429 BRI Shares outstanding. In addition, the following options and warrants are currently outstanding:

Share Options

The outstanding share options to purchase BRI Shares as at the date of this MD&A are summarized as follows:

Expiry Date	Exercise Price ($)	Number Outstanding
July 21, 2016	1.30	300,000
October 3, 2016	1.20	990,000
October 11, 2016	1.20	105,000
February 7, 2017	1.50	150,000
April 23, 2017	1.20	20,000
January 8, 2018	1.03	40,000
March 1, 2018	1.10	25,000
February 6, 2020	0.71	1,406,250
December 15, 2020	0.48	90,000
		3,126,250

Warrants

The outstanding warrants as at the date of this MD&A are summarized as follows:

Expiry Date	Exercise Price ($)	Number Outstanding
December 31, 2018	0.75	11,650,620
January 5, 2020	0.75	1,994,400
January 6, 2020	0.75	5,405,470
January 26, 2020	0.75	703,636
		19,754,126

Risk Factors

The following risk factors, as well as risks not currently known to the Company could materially adversely affect the Company's future business, operations and financial condition and could cause them to differ materially from estimates described in forward-looking statements relating to the Company. You should carefully consider the risk factors set out below.

Exploration, Development and Operating Risks

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital.

There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

There is no certainty that the expenditures made by the Company towards the search for and evaluation of mineral deposits will result in discoveries of commercial quantities of ore.

Commodity Price Risk

The Company is exposed to commodity price risk. Declines in the market price of gold, base metals and other minerals may adversely affect the Company’s ability to raise capital or attract joint venture partners in order to fund its ongoing operations and meet obligations under option and other agreements underlying its mineral interests. Commodity price declines could also reduce the amount the Company would receive on the disposition of one of its mineral properties to a third party.

Limited Operating History

The Company has no history of earnings. There are no known commercial quantities of mineral reserves on the Company's mineral projects. Development of the Company's projects, including the Whistler Project, Cachoeira Project, São Jorge Project and Rea Project, will only follow upon obtaining satisfactory results. Exploration and the development of natural resources involve a high degree of risk and few properties which are explored are ultimately developed into producing properties. There is no assurance that the Company's exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

Further, the Company is subject to many risks common to mineral exploration companies, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance the Company will be successful in achieving a return on shareholder's investment and the likelihood of success must be considered in light of its early stage operations.

Financing Risks

The Company has no history of earnings, and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on the Common Shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is through the sale of its equity shares. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially minable deposit exists on any of its properties. While the Company may generate additional working capital through further equity offerings, there is no assurance that any such funds will be available on terms acceptable to the Company, or at all. If available, future equity financing may result in substantial dilution to shareholders. At present it is impossible to determine what amounts of additional funds, if any, may be required.

Securities markets have at times in the past experienced a high degree of price and volume volatility, and the market price of securities of many companies, particularly those considered to be exploration stage companies such as the Company, have experienced wide fluctuations in share prices which have not necessarily been related to their operating performance, underlying asset values or prospects. There can be no assurance that these kinds of share price fluctuations will not occur in the future, and if they do occur, how severe the impact may be on the Company's ability to raise additional funds through equity issues and corresponding effect on the Company’s financial position.

As certain milestone payments in connection with the Company's properties may be payable in BRI Shares, a lower market price for such BRI Shares will result in increased dilution to our existing shareholders.

Acquisition of Additional Mineral Properties

In order to grow its business and pursue its long-term growth strategy, the Company may seek to acquire additional mineral interests or merge with or invest in new companies or opportunities. A failure to make acquisitions or investments may limit the Company's growth. In pursuing acquisition and investment opportunities, the Company faces competition from other companies having similar growth and investment strategies, many of which may have substantially greater resources than the Company. Competition for these acquisitions or investment targets could result in increased acquisition or investment prices, higher risks and a diminished pool of businesses, services or products available for acquisition or investment. Additionally, if the Company loses or abandons its interest in any of its mineral projects, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved applicable regulators.

Loss of Interest in Properties

Certain of the Company's mineral projects are subject to option and similar agreements, which require the Company to make cash and/or share payments and to incur exploration and development expenditures in order to maintain and/or earn its interest. The Company's ability to maintain an interest in the Cachoeira Project and its other mineral properties may be dependent on its ability to raise additional funds by equity financing. Failure to obtain additional financing may result in the Company being unable to make periodic payments required for the maintenance or acquisition of these properties and could result in a delay or postponement of further exploration and the partial or total loss of the Company's interest in these properties.

Permits and Government Regulations

The future operations of the Company may require permits from various governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that the Company will be able to obtain all necessary licences, permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on any of its properties.

Mining and exploration activities are also subject to various laws and regulations relating to the protection of the environment. Although the Company believes that its exploration activities are currently carried out in accordance with all of the applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner that could limit or curtail the production or development of the Company's properties. Amendments to current laws and regulations governing the operations and activities of the Company or a more stringent implementation thereof could have a material adverse effect on the Company's business, financial condition and results of operations.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, the installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may be subject to civil or criminal fines or penalties for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or a more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs, reduction in levels of production at producing properties, or abandonment or delays in development of new mining properties.

Pursuant to the mining licenses underlying the Cachoeira Project, the Company was required to commence mining operations at the property by April 2014. Prior to this date, the Company submitted an application to the DNPM requesting an extension of two years. While the DNPM previously provided extensions to the prior operators of the Cachoeira Project, there can be no assurance that such extension will be granted in this case. The Company believes that work conducted to date will provide sufficient support in order for the DNPM to grant the extension. In addition, if the DNPM grants an environmental license for the Cachoeira Project, the Company will have six months from the date of the license grant to implement an operational mining facility on the Cachoeira Project. The Company has not made any production decision with respect to the Cachoeira Project and is evaluating its options with respect to this requirement, including the potential to seek an extension. There is no assurance that, if applied for, the Company will be granted such an extension or that the Company will otherwise meet this requirement.

Joint Ventures

The existence or occurrence of one or more of the following circumstances and events could have a material adverse impact on the Company's profitability or the viability of its interests held through joint ventures, which could have a material adverse impact on the Company's future cash flows, earnings, results of operations and financial condition: (i) failure to reach definitive agreements with joint venture partners to govern the joint venture; (ii) disagreement with joint venture partners on how to develop and operate mines efficiently; (iii) inability of joint venture partners to meet their obligations under the joint venture or to third parties; and (iv) litigation between joint venture partners regarding joint venture matters.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. Such occurrences could result in damage to mineral properties or facilities thereon, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in mining, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers being reasonable, its insurance will not cover all of the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover certain risks at economically feasible premiums. In addition, insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. As a result, the Company may become subject to liability for pollution or other hazards that may not be insured against. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Environmental and Safety Regulations and Risks

Environmental laws and regulations may affect the operations of the Company. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. The permission to operate can be withdrawn temporarily where there is evidence of serious breaches of health and safety standards, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations. In all major developments, the Company generally relies on recognized designers and development contractors from which the Company will, in the first instance, seek indemnities. The Company intends to minimize risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to applicable environmental standards. There is a risk that environmental laws and regulations may become more onerous, making the Company's operations more expensive.

Uncertainty of Mineral Resources Estimates

The estimates for mineral resources contained herein are estimates only and no assurance can be given that the anticipated tonnages and grades will be achieved. There are numerous uncertainties inherent in estimating mineral resources, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any mineral resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. In addition, there can be no assurance that gold recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production, if any. If the Company's actual mineral resources are less than current estimates or if the Company fails to develop its mineral resource base through the realization of identified mineralized potential, its results of operations or financial condition may be materially and adversely affected. Evaluation of mineral resources occurs from time to time and they may change depending on further geological interpretation, drilling results and metal prices. The category of inferred mineral resource is often the least reliable mineral resource category and is subject to the most variability. The Company regularly evaluates its mineral resources and it considers the merits of increasing the reliability of its overall mineral resources.

Presence of Artisanal Miners

Artisanal mining is currently present at some of the Company's mineral properties. Such artisanal miners have the potential to delay and/or interfere with work on the Company's projects and may present a potential security threat to employees and operations. The Company has a policy of maintaining good relations with the local communities and the artisanal miners in order to minimize such risks. There are risks that the development of the Company's projects could be delayed due to circumstances beyond the Company's control, including without limitation circumstances relating to the presence of artisanal miners, and any such delays could negatively impact the Company's exploration and development plans, result in additional expenses on its part, or prevent the development of its projects.

Mineral Titles

The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral concessions may be disputed. Although the Company believes it has taken reasonable measures to ensure proper title to its interests in any properties, there is no guarantee that title to any such properties will not be challenged or impaired. Third parties may have valid claims underlying portions of the Company's interests, including prior unregistered liens, agreements, transfers or claims, including native land claims, and title may be affected by, among other things, undetected defects. In addition, the Company may be unable to operate on such properties as permitted or to enforce its rights with respect to such properties.

Competition

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial and technical resources. Competition in the precious metals mining industry is primarily for: mineral rich properties that can be developed and produced economically; technical expertise to find, develop, and operate such properties; labour to operate the properties; and capital for the purpose of funding such properties. Many competitors not only explore for and mine precious metals, but conduct refining and marketing operations on a global basis. Such competition may result in the Company being unable to acquire desired properties, to recruit or retain qualified employees or to acquire the capital necessary to fund its operations and develop mining properties. Existing or future competition in the mining industry could materially adversely affect the Company's prospects for mineral exploration and success in the future.

Dependence on Key Management Personnel, Employees and Consultants

The success of the Company is and/or will be dependent on a relatively small number of key management personnel, employees and consultants. The loss of the services of one or more of such key management personnel could have a material adverse effect on the Company. The Company's ability to manage its exploration and future development activities, and hence its success, will depend in large part on the efforts of these individuals. The Company faces intense competition for qualified personnel, and there can be no assurance that the Company will be able to attract and retain such personnel.

Foreign Operations

Political and related legal and economic uncertainty may exist in countries where the Company may operate. The Company's mineral exploration and mining activities may be adversely affected by political instability and changes to government regulation relating to the mining industry. Other risks of foreign operations include political unrest, labour disputes, invalidation of governmental orders and permits, corruption, war, civil disturbances and terrorist actions, arbitrary changes in law or policies of particular countries, foreign taxation, price controls, delays in obtaining or the inability to obtain necessary governmental permits, opposition to mining from environmental or other non-governmental organizations, limitations on foreign ownership, limitations on the repatriation of earnings, limitations on gold exports and increased financing costs. These risks may limit or disrupt the Company's projects, restrict the movement of funds or result in the deprivation of contract rights or the taking of property by nationalization or expropriation without fair compensation.

Presently, the Company's mineral properties are primarily located in Brazil. While the Company believes that Brazil represents, a favourable environment for mining companies to operate, there can be no assurance that changes in the laws of Brazil or changes in the regulatory environment for mining companies or for non-domiciled companies in Brazil will not be made that would adversely affect the Company. Brazil is currently undergoing a review of its mining legislation that may result in changes to mining licenses, which has delayed approvals for new mining licenses, and may result in applications for mining licenses being converted to a competitive procedure. It is also possible that current or future social unrest in Brazil will adversely affect the Company's operations.

The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the Company's operations or profitability.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants that affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

Currency Fluctuations

The Company maintains accounts in United States and Canadian dollars and Brazilian Reals and Paraguayan Guarani. While financings have all been conducted in Canadian dollars, the Company conducts its business using all four currencies depending on the location of the operations in question and the payment obligations involved. Accordingly, the results of the Company's operations are subject to currency exchange risks, particularly to changes in the exchange rate between the United States and Canadian dollars. To date, the Company has not engaged in any formal hedging program to mitigate these risks. The fluctuations in currency exchange rates, particularly between the United States and Canadian dollars, may significantly impact on the Company's financial position and results of operations in the future.

Capital Cost Estimates

Capital and operating cost estimates made in respect of the Company's current and future development projects and mines may not prove to be accurate. Capital and operating costs are estimated based on the interpretation of geological data, feasibility studies, anticipated climatic conditions and other factors. Any of the following events, among the other events and uncertainties described herein, could affect the ultimate accuracy of such estimates: unanticipated changes in grade and tonnage of ore to be mined and processed; incorrect data on which engineering assumptions are made; delay in construction schedules, unanticipated transportation costs; the accuracy of major equipment and construction cost estimates; labour negotiations; changes in government regulation (including regulations regarding prices, cost of consumables, royalties, duties, taxes, permitting and restrictions on production quotas on exportation of minerals); and title claims.

Litigation

The Company is subject to litigation risks. All industries, including the mining industry, are subject to legal claims, with and without merit. Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Company is or may become subject could have a material effect on its financial position, results of operations or the Company's mining and project development operations.

In 2012, eighteen employees of RAC filed labour lawsuits in Brazil to claim unpaid wages and benefits during the period they worked. RAC performed drilling services for Regent from January 27, 2011 to June 27, 2011. According to Brazilian labour law, if RAC fails to pay the amounts awarded by Court's final decision, Regent is required to assume the liability. Since RAC is in insolvency and is not attending court hearings, Regent is required to pay the awarded amounts, despite the fact that Regent is in compliance with Brazilian labour laws. At November 30, 2014, the provision was re-assessed and decreased from $514,357 to $337,055 according to the settlements with the plaintiffs. At November 30, 2015, the provision was decreased from $337,055 to $nil after the Company paid $337,055 to the plaintiffs during the year ended November 30, 2015, in accordance with the plaintiffs' settlement agreements. After full payment to the plaintiffs, Regent has the right of recourse against RAC. The Company has not determined if it will exercise the right of recourse at this time.

Possible Conflicts of Interest of Directors and Officers of the Company

Certain of the directors and officers of the Company also serve as directors and/or officers of other companies involved in natural resource exploration and development and, consequently, there exists the possibility for such directors and officers to be in a position of conflict. The Company expects that any decision made by any of such directors and officers involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company and its shareholders, but there can be no assurance in this regard. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest or which are governed by the procedures set forth in the *Business Corporations Act* (British Columbia) and any other applicable law.

Community Relations

Natural resources companies face increasing public scrutiny of their activities. The Company may face pressure to demonstrate that, in addition to seeking to generate returns for its shareholders, other stakeholders benefit from the Company's activities, including local governments and the communities surrounding or nearby its properties. The potential consequences of these pressures include reputational damages, lawsuits, increasing social investment obligations and pressure to increase taxes, future royalties or other contributions to local governments and surrounding communities. These pressures may also impair the Company's ability to successfully obtain permits and approvals required for its operations.

Additional Information

Additional information regarding the Company is available on SEDAR at www.sedar.com.

Paulo Pereira, President of the Company, has reviewed and approved the scientific and technical information contained in this MD&A. Mr. Pereira holds a Bachelor's degree in Geology from Universidad Do Amazonas in Brazil, is a qualified person as defined in NI 43-101 and is a member of the Association of Professional Geoscientists of Ontario.