



300 - 555 West Georgia Street, Vancouver, BC, Canada V6B 1Z6  
T (604)681-3170, F (604)681-3552, info@rtmcorp.com  
www.rtmcorp.com

**RT MINERALS CORP.**  
**INTERIM MD&A – QUARTERLY HIGHLIGHTS**  
**FOR THE THREE MONTHS ENDED FEBRUARY 29, 2016**

The following interim MD&A – quarterly highlights of the financial position of RT Minerals Corp. (“the Company”) and results of operations of the Company should be read in conjunction with the unaudited condensed interim consolidated financial statements including the notes thereto for the period ending February 29, 2016 and the audited financial statements for the year ending November 30, 2015.

The accompanying unaudited condensed interim consolidated financial statements and related notes are presented in accordance with International Financial Reporting Standards for interim financial statements and accordingly do not include all disclosures required for annual financial statements. These statements, together with the following interim MD&A – quarterly highlights dated **April 29, 2016** (“Report Date”), are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as forward-looking statements relating to the potential future performance. The information in the interim MD&A – quarterly highlights may contain forward-looking statements.

These statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks as set forth below.

Economic and industry factors are substantially unchanged with respect to a comparison of the Company’s interim financial condition to the financial condition as at the most recently completed financial year end.

Additional information relating to the Company may be found on SEDAR at [www.sedar.com](http://www.sedar.com).

## **1. CORE BUSINESS**

---

RT Minerals Corp. is a junior resource company engaged in the acquisition, exploration and evaluation of mineral properties in Canada for hosting gold and base metal deposits.

The Company holds interests in the following mineral resource properties in Canada:

- **Ballard Lake Gold Property** – gold property located approximately 50 km northeast of Wawa, Ontario in which the Company owns a 100% interest subject to a 2% retained royalty;
- **Golden Stock Gold Property** – gold property located near the Cairo Township in Matachewan, Ontario in which the Company owns a 100% interest subject to a 2% retained royalty.

The Company was incorporated on March 9, 2007 under the Business Corporations Act of British Columbia and is currently a reporting issuer in British Columbia, Alberta and Ontario. The Company’s common shares were approved for listing on the TSX Venture Exchange (“TSXV”) and commenced trading on August 5, 2011 under the symbol “RTM”.

---

The consolidated financial statements include the accounts of the Company and its 100% wholly owned subsidiary, RT Minerals Corp (Guyana) Inc. (“RTMG”). RTMG was incorporated in Guyana. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

### **1.1 Private Placement and Share Consolidation**

On April 1, 2016, the Company announced that it intends to consolidate its current issued and outstanding share capital on a 10 old for 1 new basis (the “Consolidation”). The Company also proposes to undertake a post-Consolidation private placement of up to 4,000,000 flow-through units (the “FT Units”) and up to a further 4,000,000 non flow-through units (the “NFT Units”) to raise gross proceeds of up to \$400,000 (the “Offering”). Each FT Unit and NFT Unit will be priced at \$0.05 and will be comprised of a share and a share purchase warrant exercisable at \$0.05 for a term of five years.

The proceeds from the sale of the FT Units will be used for exploration activity on the Company’s 100% owned, subject to retained royalty, Ballard Lake gold property, located in the Echum and Dolson Townships in the Sault Ste Marie Mining Division, Ontario. The proceeds from the sale of the NFT Units will be used for general working capital.

The Consolidation and the Offering are subject to the acceptance of the TSXV.

## **2. FINANCIAL CONDITION**

---

The Company has not yet achieved profitable operations, has accumulated losses of \$11,583,787 since inception and expects to incur further losses in the development of its business. The Company’s ability to continue as a going concern is dependent upon its ability to raise financing and generate future profitable operations. Industry and economic factors continue to affect the Company’s performance. Generally weak capital market conditions make it a challenge to raise equity financing to fund the Company’s acquisition and exploration activities. These conditions are expected to continue over the next twelve months.

The Company had a working capital deficit of \$52,837 at February 29, 2016 compared to a deficit of \$14,381 at November 30, 2015.

Cash was \$35,943 at February 29, 2016 compared to \$78,160 at November 30, 2015. The Company’s sources and uses of cash are discussed in section 4 “*Cash Flows*” below.

Amounts receivable of \$2,213 at February 29, 2016 (November 30, 2015 - \$1,786) consist of GST input tax credits and QST input tax refund credits.

Prepaid expenses of \$74 at February 29, 2016 (November 30, 2015 - \$507) relate to ordinary operating expenses.

Exploration and evaluation assets of \$169,314 at February 29, 2016 (November 30, 2015 - \$169,136) consist of acquisition and exploration expenditures on the Company’s Ballard Lake and Golden Stock properties. During the three months ended February 29, 2016, the Company expended \$40 on acquisition costs and \$138 on exploration costs on the Ballard Lake property, and \$nil on the Golden Stock property.

Trade and other payables were \$90,485 at February 29, 2016 (November 30, 2015 - \$84,655). Trade payable amounts are unsecured. Included in trade and other payables at February 29, 2016 and November 30, 2015 is a provision of \$41,466 for liability to indemnified FT shareholders.

Due to related parties was \$582 at February 29, 2016 (November 30, 2015 - \$10,179). Due to related parties represents amounts owing to directors, officers, companies with a common director, and shareholders who hold greater than a 10% interest in the Company for unpaid project management services, expenses and salaries, which are unsecured, non interest bearing and payable on demand.

---

**3. FINANCIAL PERFORMANCE**

---

The Company is engaged in acquisition, exploration and evaluation activities in Canada.

Because the Company is in the exploration stage, it did not earn any significant revenue and its expenses relate to the costs of operating a public company of its size. Net loss for the three months ended February 29, 2016 was \$38,278 compared to net income of \$534 for the three months ended February 28, 2015; or \$0.00 loss per share compared to \$0.00 income per share for the 2015 comparative period.

**3.1 Other Income and Expenses**

Other expenses of \$169 for the three months ended February 29, 2016 and \$1,043 for the three months ended February 28, 2015 consist of loss on foreign exchange.

**3.2 Total Expenses for the Three Months Ended February 29, 2016**

Total expenses for the three months ended February 29, 2016 were \$38,109 compared to expense recovery of \$1,577 recorded for the 2015 comparative period.

Employee costs were \$15,987 for the three months ended February 29, 2016 compared to expenses of \$1,500 recorded for the 2015 comparative period. Employee costs include administrative and consulting fees, management salaries, and share-based payments. The following is a breakdown of the material components of employee costs for the three months ended February 29, 2016 and 2015.

|                                    | <b>Three months ended<br/>February 29, 2016</b> | <b>Three months ended<br/>February 28, 2015</b> |
|------------------------------------|---|---|
|                                    | \$  | \$  |
| Administrative and consulting fees | 8,500   | -   |
| Management salaries                | 7,487   | 1,500   |
|                                    | <u>15,987</u>                                   | <u>1,500</u>                                    |

Finance expense was \$nil for the three months ended February 29, 2016. Finance expense of \$493 for the three months ended February 28, 2016 consists of loan interest expense.

The following is a breakdown of the material components of the Company's general and administrative expenses for the three months ended February 29, 2016 and 2015.

|                       | <b>Three months ended<br/>February 29, 2016</b> | <b>Three months ended<br/>February 28, 2015</b> |
|-----------------------|---|---|
|                       | \$  | \$  |
| Filing fees           | 1,386   | 2,250   |
| Legal fees            | -   | 1,620   |
| Office expenses       | 11,010  | 9,934   |
| Transfer agent        | 1,356   | 874   |
| Travel and automobile | 8,370   | 444   |
|                       | <u>22,122</u>                                   | <u>15,122</u>                                   |

---

**4. CASH FLOWS**

---

The Company is still in the exploration and development stage and as such does not earn any significant revenue. Total cash used in operating activities was \$32,442 for the three months ended February 29, 2016 compared to cash used of \$6,441 for the 2015 comparative period.

---

Cash used in investing activities was \$178 for the three months ended February 29, 2016 compared to cash of \$198 used in investing activities for the 2015 comparative period, and relates to mineral property expenditures. Investing and financing activities that do not have a direct impact on current cash flows are excluded from the statement of cash flows. For 2015 they are comprised of \$80,000 in share issuances included in exploration and evaluation assets and \$4,000 in shares for debt settlement included in accounts payable.

Cash used in financing activities was \$9,597 for the three months ended February 29, 2016 and consists of repayments to related parties. Cash provided by financing activities was \$5,687 for the three months ended February 28, 2015 and consisted of \$6,624 in deferred share issue costs; and \$12,311 in advances from related parties.

## **5. LIQUIDITY**

---

The Company's financial statements have been prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent on the ability of the Company to raise equity financing and the attainment of profitable operations. Management is uncertain that the Company will be able to meet its liabilities as they become payable in the coming twelve months, due to the Company's working capital deficit position. In order for the Company to continue as a going concern and meet its financial obligations, the Company will have to complete the sale of one or more of its properties or conclude an equity and/or debt financing, or combination of the aforementioned.

Cash and cash equivalents as at February 29, 2016 were \$35,943 compared to \$78,160 as at November 30, 2015. Working capital deficit was \$52,837 at February 29, 2016 compared to a deficit of \$14,381 at November 30, 2015. Factors that could impact on the Company's liquidity are monitored regularly and include market changes, gold price changes, and economic downturns that affect the market price of the Company's trading securities for the purposes of raising financing. The current state of equity markets presents a challenge to raise financing and Management believes that this condition will continue over the next twelve months.

As at February 29, 2016, the Company had amounts receivable of \$2,213 that includes GST input tax credits and QST input tax returns receivable that have low liquidity risk.

The Company has total current liabilities of \$91,067 at February 29, 2016. Included in trade and other payables is a provision of \$41,466 for the financial obligation to indemnified shareholders for flow-through exploration expenditures not made by December 31, 2014. Due to related parties of \$582 includes amounts owing to directors, officers, and companies with common directors for unpaid salaries, project management services and expenses. The Company has no debt or debt arrangements.

Based on the above financial condition at February 29, 2016, the Company may not be in a position to meet its financial obligations as they become payable in the coming twelve months.

On April 1, 2016, the Company announced that it intends to consolidate its current issued and outstanding share capital on a 10 old for 1 new basis (the "Consolidation"). The Company also proposes to undertake a post-Consolidation private placement of up to 4,000,000 flow-through units (the "FT Units") and up to a further 4,000,000 non flow-through units (the "NFT Units") to raise gross proceeds of up to \$400,000 (the "Offering"). Each FT Unit and NFT Unit will be priced at \$0.05 and will be comprised of a share and a share purchase warrant exercisable at \$0.05 for a term of five years.

The proceeds from the sale of the FT Units will be used for exploration activity on the Company's 100% owned, subject to retained royalty, Ballard Lake gold property, located in the Echum and Dolson

---

Townships in the Sault Ste Marie Mining Division, Ontario. The proceeds from the sale of the NFT Units will be used for general working capital.

The Consolidation and the Offering are subject to the acceptance of the TSXV.

## **6. CAPITAL RESOURCES**

---

The Company currently has no commitments for capital expenditures. The Company holds a 100% interest, subject to retained royalty, in its Ballard Lake and Golden Stock properties, and as such, does not have any option commitments to maintain these properties in good standing. The Company does not have any capital resources in the form of debt, equity and any other financing arrangements.

## **7. KNOWN TRENDS, RISKS OR DEMANDS**

---

Industry and economic factors continue to affect the Company's performance. Generally weak capital market conditions make it a challenge to raise equity financing to fund the Company's acquisition and exploration activities. These conditions are expected to continue over the next twelve months.

### **7.1 Credit Risk**

Credit risk is the risk of an unexpected loss associated with counterparty's inability to fulfil its contractual obligations. Management evaluates credit risk on an ongoing basis and monitors activities related to amounts receivable including the amounts of counterparty concentrations. The primary sources of credit risk for the Company arise from its financial assets consisting of cash and amounts receivable. The carrying value of these financial assets represents the Company's maximum exposure to credit risk. To minimize credit risk the Company only holds its cash with high credit chartered Canadian financial institutions. As at February 29, 2016, the Company has no financial assets that are past due or impaired due to credit risk defaults.

### **7.2 Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its obligations with respect to financial liabilities as they fall due. The Company's financial liabilities consist of its accounts payable and amounts due to related parties. The Company handles its liquidity risk through the management of its capital structure as described in Note 13 of the financial statements. All of the Company's financial liabilities are due on demand, do not generally bear interest and are subject to normal trade terms.

### **7.3 Market risk**

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. Market conditions will cause fluctuations in the fair values of financial assets classified as held-for-trading, available-for-sale and cause fluctuations in the fair value of future cash flows for assets or liabilities classified as held-to-maturity, loans or receivables and other financial liabilities. The Company is not exposed to significant interest rate risk as the Company has no fluctuating interest bearing debt. The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in gold and metal prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

### **7.4 Currency risk**

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currencies. The Company does not hedge its exposure to fluctuations in foreign exchange rates.

The Company's Guyana subsidiary is exposed to currency risk as it incurs expenditures that are denominated in US dollars while its functional currency is the Canadian dollar.

---

## **8. MAJOR OPERATING MILESTONES**

---

The Company is in the mineral exploration business and has no revenues. Mineral interests in the form of exploration and acquisition costs totalled \$169,314 as at February 29, 2016 (November 30, 2015 - \$169,136). The only expenditures on exploration and evaluation assets during the three months ended February 29, 2016 were nominal amounts on assaying and claims renewal because the Company did not have sufficient funds to carry on any exploration programs on its properties.

---

## **9. COMMITMENTS, EXPECTED OR UNEXPECTED EVENTS, OR UNCERTAINTIES**

---

Other than disclosed in this Report, the Company does not have any commitments, expected or unexpected events, or uncertainties.

---

## **10. SIGNIFICANT CHANGES FROM PREVIOUS DISCLOSURE**

---

N/A

---

## **11. SIGNIFICANT TRANSACTIONS BETWEEN RELATED PARTIES**

---

N/A

---

## **12. BOARD OF DIRECTORS AND OFFICERS**

---

The directors of the Company are Paul Antoniazzi (President and CEO), Fred Kiernicki, Mark Lofthouse, and Edmond Hatoum. Sandra Wong is Chief Financial Officer and Corporate Secretary.

---

## **13. CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS**

---

These statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks as set forth below.

This Management's Discussion and Analysis contains "forward-looking statements, within the meaning of applicable Canadian Securities legislation", that involve a number of risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to the future price of gold and copper, the estimation of mineral reserves and resources, the realization of mineral estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency exchange rate fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and timing and possible outcome of pending litigation. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", or "might" be taken, occur or be achieved. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made, and they involve known and unknown risks, uncertainties and other factors which may cause the actual results, level of activity, performance or achievements of the Company to be materially different from any other future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: risks relating to the integration of acquisitions, risk relating to international operations, the actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of gold and copper; possible variations in ore reserves, grade or

---

recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; fluctuations in metal prices; as well as those risk factors discussed or referred to in the Company's Interim MD&A – Quarterly Highlights for the three months ended February 29, 2016 filed with the securities regulatory authorities in Canada and available at [www.sedar.com](http://www.sedar.com). Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements.

#### **14. MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

---

The accompanying financial statements of the Company and all the information in this Management's Discussion and Analysis are the responsibility of management and have been approved by the Board of Directors.

The financial statements have been prepared by management in accordance with International Financial Reporting Standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Financial statements are not precise since they include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects. Management has prepared the financial information presented elsewhere in the Management's Discussion and Analysis and has ensured that it is consistent with that in the financial statements.

The Company maintains systems of internal accounting and administrative controls in order to provide, on a reasonable basis, assurance that the financial information is relevant, reliable and accurate and that the Company's assets are appropriately accounted for and adequately safeguarded.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee.

The Audit Committee is appointed by the Board, and the minority of its members are independent directors. The Committee meets at least once a year with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy itself that each party is properly discharging its responsibilities, and to review the financial statements and the external auditors' report. The Committee reports its findings to the Board for consideration when approving the financial statements for issuance to the shareholders. The Committee also considers, for review by the Board and approval by the shareholders, the engagement or reappointment of the external auditors. The Company's auditors have full and free access to the Audit Committee.

On behalf of the Board,

**RT MINERALS CORP.**

Paul Antoniazzi,  
President and CEO