This Management's Discussion and Analysis ("**MD&A**") reviews the activities of Aurelius Minerals Inc ("**Aurelius**", or the "**Company**") and compares the financial results for the year ended March 31, 2017 (the "**fiscal year 2017**") with the comparable period in 2016 (the "**fiscal year 2016**"). This MD&A should be read in conjunction with the audited financial statements and accompanying notes for the year ended March 31, 2017, copies of which are filed under the Company's profile on the SEDAR website, www.sedar.com.

The Company was incorporated under the *Business Corporations Act* (British Columbia) on April 5, 2007. On January 9, 2017, the Company changed its name from Galena International Resources Ltd to Aurelius Minerals Inc. The Company's head office and principal address is 1020 - 625 Howe Street, Vancouver, British Columbia, Canada, V6C 1T2. The Company's registered and records office is 2500 – 700 West Georgia Street, Vancouver, British Columbia, Canada, V7Y 1B3.

On December 12, 2016, the Company shares were transferred from the NEX to Tier 2 of the TSX Venture Exchange (the "**TSXV**") under the symbol GTO. Concurrent with the name change the Company changed its trading symbol and currently trades under **AUL**.

The Company prepares its financial statements in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and Interpretations issued by the International Financial Reporting Interpretations Committee.

The information in this MD&A is provided as of the date of this MD&A, July 31, 2017 (the "**Report Date**").

## OVERVIEW

The Company is a resource exploration company, which was re-launched during fiscal year 2017 with the appointment of Mr. Mark N.J. Ashcroft, P. Eng. as President and Chief Executive Officer and a director. Mr. Ashcroft replaces Mr. Randy Turner, former President and Chief Executive Officer, who remains Chairman of the Company's board of Directors. During fiscal year 2017, the Company acquired the Lipton and Mikwam properties within the prolific Abitibi Gold belt and its initial focus will be on gold exploration within this area. In addition, the Company will continue to seek out further more advanced staged opportunities in proven mining districts.

Aurelius' ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to identify and acquire promising mineral properties and conduct future exploration work on them, to fund its corporate overhead and commitments and to discharge its liabilities as they come due. As of March 31, 2017, the Company had working capital of $309,510 and subsequent to year end raised an additional $913,000 from closing of two additional tranches of a non-brokered private placement.

### *Lipton Property*

In conjunction with Mr. Ashcroft's appointment, through a wholly owned company MNJA Holdings Inc, assigned an option (the "Lipton Option") granting the right to earn a 100% interest in 13 claim blocks (the "**Lipton Option Claims**") in consideration of 500,000 common shares of the Company being issued to Mr. Ashcroft. The Company may earn a 100% in the Lipton Option Claims by making aggregate cumulative cash payments of $1 million to be paid over a 10-year period. An initial $10,000 payment was made August 22, 2016 and thereafter until June 2020 the Company must make annual cash payments totaling $90,000 and file a minimum of two years of assessment work, with the remaining $900,000 in annual cash payments payable between June 2021 and June 2026.

In addition, the Company staked 44 claim blocks referred to as the Atkinson South claims. The Lipton property comprises the Lipton Option Claims and the Atkinson South claims totaling 57 contiguous claim blocks (consisting of 724 claim units) covering an area of approximately 11,593 hectares (the "**Lipton Property**").

The Lipton Property is located approximately 150 km north-east of Cochrane, ON near the border between Ontario and Quebec, and is approximately 20 kilometers ("**km**") south of the Detour Lake Mine, and 3 km south of Detour's 58N high grade discovery.

The Lipton Property is in the northern portion of the Abitibi Greenstone Belt, just south of the Lower Detour Deformation Zone. The area is composed of numerous sequences of mafic and felsic volcanics, with sedimentary sequences variably interbedded. There are also numerous felsic, mafic, and ultramafic intrusive.

Two zones of anomalous gold concentrations have been identified in historical exploration drilling on the Lipton Property. The highest historical gold content has been coincident with the contact between sediments and felsic tuffs. Significant intersections from historical programs include:

- 10.7 grams per tonne ("**g/t**") over 9.0 meters, reported by Better Resources Ltd, in 1996; and
- 14.20 g/t Au over 7.7 meters ("**m**"), reported by Dentonia Resources Ltd. in 2006.

In mid July 2017, the Company commenced its phase one exploration program on the Lipton Property. The program includes an induced polarization (IP) geophysical survey and approximately 2,000 m of diamond drilling. The drill program is designed to test and expand the area of the Mafic and Contact Gold Zones and to test the larger and untested northern magnetic anomaly at the interpreted fold nose.

### *Mikwam Property*

On November 29, 2016, the Company entered into Property Option Agreement ("**Mikwam Option**") with ALX Uranium Corp. ("**ALX**") to acquire a 100% interest in the Mikwam property ("**Mikwam**") located on the Casa Berardi Deformation Zone in the Larder Lake Mining Division, approximately 160 kilometers north-east of Timmins, Ontario.

Pursuant to the Mikwam Option, the Company has the right to acquire a 100% interest in Mikwam (subject to certain royalty interests and encumbrances) in consideration of making aggregate cash and share payments to ALX over a period of three years as follows:

- $25,000 and the issuance of 2,000,000 on closing (December 12, 2016);
- $50,000 or, at the Company's election, issue 500,000 common shares on or before the first anniversary of the Mikwam Option;
- $75,000 or, at the Company's election, issue 750,000 common shares on or before the second anniversary of the Mikwam Option; and
- $100,000 or, at the Company's election, issue 750,000 common shares on or before the third anniversary of the Mikwam Option.

In addition, the Company has granted ALX a net smelter returns royalty ("**NSR Royalty**") equal to 0.5% of net smelter returns from the property. The Company has the right, at any time, to acquire the NSR Royalty from ALX in consideration of a cash payment of $1,000,000.

Mikwam lies in the Harricana-Turgeon belt within the northern portion of the Abitibi greenstone belt of the Superior Province of the Canadian Shield. The Harricana-Turgeon belt hosts polymetallic deposits and several well-known gold deposits such as the Eagle mine, the Casa Berardi mine and the Detour Mine. Earlier this year, Detour staked its Burntbush project which now, completely surrounds the Mikwam property.

Mineral Resource Estimate

In connection with the acquisition of the Mikwam Option, the Company engaged Caracle Creek International Consulting Inc. to prepare a National Instrument 43-101 technical report on the Mikwam property. The report, entitled "Independent Technical Report--Mikwam Gold Property--Noseworthy township, Ontario, Canada," dated December 8, 2016 is available under the Company's profile at www.sedar.com.

The report provides an estimated inferred resource for Mikwam of 1.81 million tonnes at 2.34 grams per tonne, containing 136,000 ounces at a reported cut-off grade of 1.00 g/t Au.

Mr. Jeremy Niemi, P. Geo., the Company's Qualified Person as defined by National Instrument 43-101 for the Abitibi Greenstone belt properties, has reviewed the technical data in this MD&A.

## RESULTS OF OPERATIONS

### For the three months ended March 31, 2017 and 2016

For the three month period ended March 31, 2017, the Company incurred a loss and comprehensive loss in the amount of $182,947 (2016 - $14,876). Expenses during the fourth quarter were higher than comparative prior period due to re-launching of the Company in fiscal year 2017 and the increased level of activity.

### For the twelve months ended March 31, 2017 and 2016

The loss and comprehensive loss for the twelve months ended March 31, 2017 was $604,452 compared to $32,688 for the prior year's comparative period.

During the second quarter of fiscal year 2017, the Company was re-launched and compensation paid to management was reinstated. In addition, legal fees were higher as result of the action commenced against ALX with respect to the acquisition of the Mikwam Property.

During fiscal year 2017 the Company granted 1,612,800 options resulting in share-based compensation of $77,642 being recognized. No amounts in the prior year's comparatives as no options were granted.

The operating losses are a reflection of the Company's status as non-revenue producing mineral exploration company. As the Company has no main source of income, losses are expected to continue for the foreseeable future.

## Summary of Quarterly Results

The following table summarizes information derived from the Company's financial statements for each of the eight most recently completed quarters.

| **Year:**<br>**Quarter Ended:** | **2017**<br>**Mar 31** | **2016**<br>**Dec 31** | **2016**<br>**Sep 30** | **2016**<br>**Jun 30** | **2016**<br>**Mar 31** | **2015**<br>**Dec 31** | **2015**<br>**Sep 30** | **2015**<br>**Jun 30** |
|---|---|---|---|---|---|---|---|---|
| Net sales<br>or total revenue | $Nil | $Nil | $Nil | $Nil | $Nil | $Nil | $Nil | $Nil |
| Net income (loss): | | | | | | | | |
| (i) in total (000s) | $(183) | $(166) | $(153) | $(97) | $(15) | $(9) | $(4) | $(5) |
| (ii) per share[1] | $(0.00) | $(0.00) | $(0.00) | $(0.00) | $(0.00) | $(0.00) | $(0.00) | $(0.01) |

(1) *Fully diluted loss per share amounts are not shown as they would be anti-dilutive*.

The Company's operations are not driven by seasonal trends, but rather by reaching project milestones such as completing various geological, technical, environmental and socio-economic objectives as well as closing the financings needed to fund the Company's activities.

The operating results of junior exploration companies typically demonstrate wide variations from period to period. These variances arise from fluctuations in such costs as stock-based compensation, level of exploration activity and costs expensed or costs incurred to assess opportunities to acquire new mineral property interests.

## Selected Annual Information

| **Year** | **2017** | **2016** | **2015** |
|---|---|---|---|
| Net sales or total revenue | $Nil | $Nil | $Nil |
| Net income(loss):<br>i. In total ('000's)<br>ii. Per Share [1] | <br>($604)<br>$(0.02) | <br>$(33)<br>$(0.01) | <br>($21)<br>$(0.01) |
| Total Assets ('000's) | $905 | $70 | $101 |

[1] *Per share amounts are calculated using the weighted average number of shares outstanding. Fully diluted loss per share amounts have not been calculated, as they would be anti-dilutive.*

## Financing Activities

During the twelve months ended March 31, 2017, the Company received gross proceeds of $978,018 (2016 - $Nil) from the issuance of shares and paid share issue costs of $60,810 (2016 - $Nil).

## Investing Activities

During the twelve months ended March 31 2017 the Company incurred $141,185 in property acquisitions (2016 - $Nil).

### Off Balance Sheet Arrangements

The Company does not have any off balance sheet arrangements.

### Subsequent Events

a) On April 6, 2017, the Company closed the second tranche of its non-brokered private placement for total gross proceeds of $433,000 from the sale of 2,730,000 common share units at a price of $0.10 and 1,600,000 flow-through shares at a price of $0.10 per share.

   Each common share unit consisted of one common share of the Company and one-half of one common share warrant, with each whole warrant entitling the holder thereof to acquire one common share at a price $0.15 per common share for a period of twenty-four months from closing.

   The Company paid finders' fees totalling $10,830.

b) On May 1, 2017, the Company closed the final tranche of its non-brokered private placement for total gross proceeds of $480,000 from the sale of 1,550,000 common share units at a price of $0.10 and 3,250,000 flow-through units at a price of $0.10 per flow-through unit.

   Each common share unit consisted of one common share of the Company and one-half of one common share warrant, with each whole warrant entitling the holder thereof to acquire one common share at a price $0.15 per common share for a period of twenty-four months from closing.

   Each flow through unit consisted of one flow-through common share of the Company and one-half of one common share warrant, with each whole warrant entitling the holder thereof to acquire one common share at a price $0.15 per common share for a period of twenty-four months from closing.

   The Company paid finders' fees totalling $4,500.

c) On July 5, 2017, the Company granted 2,900,000 incentive stock options exercisable at price of $0.12 per share for a period of five years.

## LIQUIDITY AND CAPITAL RESOURCES

The Company has no operations that generate cash flow. The Company's future financial success will depend on the discovery of one or more economic mineral deposits or business opportunity. This process can take many years, can consume significant resources and is largely based on factors that are beyond the control of the Company and its management.

To date, the Company has financed its activities by the issuance of equity securities. In order to continue funding its exploration activities and corporate costs, exploration companies are usually reliant on their ongoing ability to raise financing through the sale of equity. This is dependent on positive investor sentiment, which in turn is influenced by a positive climate for the commodities that are being explored for, a company's track record, and the experience and caliber of company's management. There is no assurance that equity funding will be accessible to the Company at the times and in the amounts required to fund the Company's activities.

## Cash and Financial Condition

The Company had $309,510 in working capital at March 31, 2017 (March 31, 2016 - $60,297). Subsequent to year end, the Company raised an additional $913,000 from closing of two additional tranches of a non-brokered private placement.

Additional funds, by way of equity financings, will be needed to carry out meaningful exploration programs or any additional signification acquisition of mineral properties.

The Company has no debt, does not have any unused lines of credit or other arrangements in place to borrow funds, and has no off-balance sheet arrangements. The Company has no current plans to use debt financing and does not use hedges or other financial derivatives.

The Company manages its liquidity risk (i.e., the risk that it will not be able to meet its obligations as they become due) by forecasting cash flows from operations together with its investing and financing activities. Expenditures are adjusted to ensure liabilities can be funded as they become due. Management and the Board of Directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

## Financial Instruments

The Company's financial instruments consist of cash, receivables, and accounts payable and accrued liabilities. The carrying value of receivables, and accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these instruments. The fair value of cash is measured based on level 1 of the fair value hierarchy.

## New Standards not yet adopted

The following new standards, amendments to standards and interpretations have been issued but are not effective during the year ended, March 31, 2017:

*IFRS 9, Financial Instruments:*

This standard and its consequential amendments are to be adopted effective for reporting periods beginning on or after January 1, 2018. Among other matters, this standard will introduce new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortized cost or fair value. Because the Company is not exposed to significant financial instrument relating accounting processes, management has concluded that adopting this new standard will not have a significant effect on its financial reporting.

*IFRS 16, Leases:*

IFRS 16 is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties to a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model.

## TRANSACTIONS WITH RELATED PARTIES

The financial statements include the financial statements of Aurelius Minerals Inc. The Company has no subsidiaries.

*Key Management Personnel*

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of executive and non-executive members of the Company's Board of Directors and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

During the twelve month period ended March 31, 2017, the Company entered into the following transactions with related parties:

Paid or accrued the following to Mark Ashcroft, the current President and Chief Executive Officer of the Company:

| | | 2017 | | 2016 |
|---|---|---|---|---|
| Management fees | $ | 125,845 | | - |
| Share-based compensation* | | 17,793 | | - |

Paid or accrued the following to Rand Explorations Ltd., a company controlled by Randy Turner, the former Chief Executive Officer of the Company:

| | | 2017 | | 2016 |
|---|---|---|---|---|
| Management fees | $ | 15,000 | $ | - |
| Share-based compensation* | | 15,569 | | - |

Paid or accrued the following to Susan Neale, the Chief Financial Officer of the Company:

| | | 2017 | | 2016 |
|---|---|---|---|---|
| Management fees | $ | 8,400 | $ | - |
| Share based compensation* | | 2,022 | | - |

Paid or accrued the following to non-executive directors of the Company:

| | | 2017 | 2016 |
|---|---|---|---|
| Share based compensation* | $ | 26,690 | - |

**Share-based compensation consists of the fair value of options that were granted to related parties during the period. The fair value has been calculated using the Black-Scholes Option Pricing Model as set out in the Financial Statement for the period ended March 31, 2017 and does not represent actual amounts received by the related parties.*

Paid or accrued the following to Independence Gold Corp. a company with a common director and officer:

| | | 2017 | | 2016 |
|---|---|---|---|---|
| Rent | $ | 7,200 | $ | - |
| Accounting, investor relations and office | | 20,204 | | - |

Included in accounts payable and accrued liabilities at March 31, 2017 is $30,936 (March 31, 2016 – Nil) due to companies controlled by the officers and/or directors of the Company.

## RISK FACTORS

As a company involved in the mineral resource exploration and development industry, Aurelius is exposed to a number of risks. In particular, Aurelius does not have a history of operations, is in the early stage of implementing its business plan and has generated no revenues other than interest revenues. As such, Aurelius is subject to many risks common to such enterprises, including under-capitalization, cash shortages, and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that Aurelius will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations. Aurelius has no intention of paying dividends in the near future. The Company has limited financial resources and has no source of operating cash flow. There can be no assurance that Aurelius will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further development of any property.

*Exploration Stage Operations*

Aurelius' operations are subject to all of the risks normally incident to the exploration for and the development and operation of mineral properties. The Company has implemented comprehensive safety and environmental measures designed to comply with government regulations and ensure safe, reliable and efficient operations in all phases of its operations. The Company maintains liability and property insurance, where reasonably available, in such amounts it considers prudent. Aurelius may become subject to liability for hazards against which it cannot insure or which it may elect not to insure against because of high premium costs or other reasons.

Mineral exploration and exploitation involves a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to avoid. Few properties that are explored are ultimately developed into producing mines.

Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, tailings impoundment failures, cave-ins, landslides and the inability to obtain adequate machinery, equipment or labour are some of the risks involved in mineral exploration and exploitation activities. Substantial expenditures are required to establish mineral reserves and resources through drilling, to develop metallurgical processes to extract the metal from the material processed and to develop the mining and processing facilities and infrastructure at any site chosen for mining.

There is no assurance that commercial quantities of resources will be discovered in the course of exploring a property. Even if commercial quantities are discovered, there is no assurance that the property will be brought into commercial production or that the funds required to exploit the resources delineated will be obtained on a timely basis or at all. The commercial viability of a resource once discovered is also dependent on a number of factors, some of which are attributes of the resource that are beyond the control of the Company.

There can be no assurance that the Company's mineral exploration activities will be successful. In the event that such commercial viability is never attained, the Company may seek to transfer its property interests or otherwise realize value or may even be required to abandon its business and fail as a "going concern".

*Competition*

The exploration industry is intensely competitive in all of its phases, and the Company competes with other companies with greater technical and financing resources than itself with respect to acquiring properties of merit, the recruitment and retention of qualified employees and other persons to carry out its exploration activities. Competition in the industry could adversely affect the Company's prospects for exploration in the future.

*Financial Markets*

Aurelius is dependent on the equity markets as its principal source of operating working capital and the Company's ability to attract investment is largely determined by the strength of the junior resource markets and by the status of the Company's projects in relation to these markets and its ability to compete for investor support of its projects.

*Environmental and Government Regulation*

Mining and exploration activities are subject to various laws and regulations relating to the protection of the environment, historical and archaeological sites and endangered and protected species of plants and animals. Although the Company endeavours to conduct its exploration activities in accordance with all 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 which could limit or curtail production or development. Amendments to current laws and regulations governing the operations and activities of the Company or more stringent implementation thereof could have a substantial adverse impact on the Company.

*Title to Properties*

While the Company does investigate the title to properties for which it may acquire concessions or other mineral leases or licenses or in respect of which it has a right to earn an interest, the Company cannot guarantee that title to such properties will not be challenged or impugned. The Company can never be certain that it will have valid title to its property rights. The Company does not carry title insurance on its properties. A successful claim that the Company does not have title to a property could cause the Company to lose its rights to that property, perhaps without compensation for its prior expenditures relating to the property.

*Government actions*

The Company's exploration activities require permits from various governmental agencies charged with administering laws and regulations governing exploration, labour standards, occupational health and safety, control of toxic substances, waste disposal, land use, environmental protection and other matters. Failure to comply with laws, regulations and permit conditions could result in fines and/or stop work orders, costs for conducting remedial actions and other expenses. In addition, legislated changes to existing laws and regulations could result in significant additional costs to comply with the revised terms and could also result in delays in executing planned programs pending compliance with those terms.

There is no assurance that the government of any jurisdiction in which the Company may acquire properties will not change environmental regulations or taxation policies in a manner that would adversely affect the economic viability of those properties.

*Fluctuating Prices*

Aurelius' revenues, if any, are expected to be in large part derived from the sale of products whose prices may fluctuate widely and can be affected by numerous factors beyond Aurelius' control including government policies and political events, expectations of inflation, currency exchange fluctuations, interest rates, and consumption patterns, which generally correlate with the level of economic activity within the country. The effect of these factors on price and therefore on the economic viability of any project cannot be accurately predicted.

*No History of Profits or Dividends*

Aurelius has a limited operating history and does not have a history of profits or of paying dividends. The Company does not anticipate being profitable or paying dividends in the near future.

*Share Price Volatility*

The price of the shares of junior resource companies in general tends to be volatile. Fluctuations in the prices for precious and base metals and many other economic factors that are beyond the Company's control could materially affect the Company's share price.

## DISCLOSURE OF SECURITIES OUTSTANDING

As at the Report Date, the Company had the following securities outstanding:

| | |
|---|---|
| Common shares | 50,830,084 |
| Warrants | 18,240,000 |
| Options | 4,835,600 |
| Fully diluted shares | 73,905,684 |

## OUTLOOK

The Company is a resource exploration company, with its initial focus on gold exploration within the prolific Abitibi Gold belt.

In mid July 2017, the Company commenced its phase one exploration program on the Lipton Property consisting of an induced polarization (IP) geophysical survey and approximately 2,000 m of diamond drilling. The drill program is designed to test and expand the area of the Mafic and Contact Gold Zones and to test the larger and untested northern magnetic anomaly at the interpreted fold nose.

In addition, the Company will continue to assess opportunities to acquire additional advanced staged opportunities in proven mining districts.

## FORWARD-LOOKING STATEMENTS

Certain of the statements made and information contained herein is "forward-looking information" within the meaning of the British Columbia Securities Act, the Alberta Securities Act and the Ontario Securities Act. This includes statements concerning the Company's plans to acquire new mineral property interests or business opportunities, which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Forward-looking information is subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking information, including, without limitation, the ability of the Company to continue to be able to access the capital markets for the funding necessary to acquire and maintain exploration properties or business opportunities; competition within the industry to acquire properties of merit or new business opportunities, and competition from other companies possessing greater technical and financial resources; difficulties in executing exploration programs on the Company's proposed schedules and within its cost estimates, whether due to weather conditions in the areas where it operates, increasingly stringent environmental regulations and other permitting restrictions, or other factors related to exploring of its properties, such as the availability of essential supplies and services; factors beyond the capacity of the Company to anticipate and control, such as the marketability of mineral products produced from the Company's properties, government regulations relating to health, safety and the environment, and the scale and scope of royalties and taxes on production; the availability of experienced contractors and professional staff to perform work in a competitive environment and the resulting adverse impact on costs and performance and other risks and uncertainties, including those described in each management's discussion and analysis of financial condition and results of operations. In addition, forward-looking information is based on various assumptions including, without limitation, assumptions associated with exploration results and costs and the availability of materials and skilled labour. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward-looking information. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information, whether as a result of new information, future events or otherwise.