

**PROBE METALS INC.**

**INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS –**

**QUARTERLY HIGHLIGHTS**

**THREE AND SIX MONTHS ENDED JUNE 30, 2017**

**(EXPRESSED IN CANADIAN DOLLARS)**

**Probe Metals Inc.**  
**Interim Management's Discussion & Analysis – Quarterly Highlights**  
**Three and Six Months Ended June 30, 2017**  
**Dated: August 25, 2017**

---

The following interim Management's Discussion and Analysis ("**Interim MD&A**") of Probe Metals Inc. (the "**Company**" or "**Probe**") for the three and six months ended June 30, 2017 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management discussion & analysis, being the Management's Discussion & Analysis ("**Annual MD&A**") for the year ended December 31, 2016. This Interim MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A.

This Interim MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual consolidated financial statements for the year ended December 31, 2016 and period from January 16, 2015 to December 31, 2015, together with the notes thereto, and unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2017, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim consolidated financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of August 25, 2017, unless otherwise indicated.

For the purposes of preparing this Interim MD&A, management, in conjunction with the Board of Directors (the "**Board**"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations is available on the Company's website at [www.probemetals.com](http://www.probemetals.com) or on SEDAR at [www.sedar.com](http://www.sedar.com).

This Interim MD&A contains forward-looking information as further described in the "Cautionary Note Regarding Forward-Looking Statements" at the end of this Interim MD&A. Please also make reference to those risk factors identified or otherwise indirectly referenced in the "Risks and Uncertainties" section below.

### **Description of Business and Nature of Operations**

Probe is a Canadian junior precious metal exploration company engaged in the business of acquiring, exploring and evaluating mineral properties, and developing these properties further or disposing of them when evaluation is complete. The Company is a reporting issuer in the provinces of Ontario, Alberta, British Columbia, and Quebec, and its common shares are listed for trading on the TSX Venture Exchange ("**TSXV**") under the symbol "PRB".

**Probe Metals Inc.**  
**Interim Management's Discussion & Analysis – Quarterly Highlights**  
**Three and Six Months Ended June 30, 2017**  
**Dated: August 25, 2017**

---

Probe owns a 100% undivided interest in three exploration-stage properties in the James Bay Lowlands area of northern Ontario, Canada: the Black Creek Property, the Tamarack-McFauld's Lake Property, and the Victory Property. In addition, the Company has acquired a 100% interest in its West Porcupine Project, less than 60km to the west of Timmins, Ontario. On June 10, 2016, the Company acquired an additional portfolio of projects in Quebec and Ontario through the acquisition of Adventure Gold Inc. ("**Adventure**"). The acquired portfolio currently consists of fifteen (15) properties 100%-owned by Probe, the Pascalis, Senore, Beaufor North, Lapaska, Bonfond North and Megiscane-Tavenir properties, collectively forming the Val-d'Or East Project, Detour East and North properties, forming part of the Detour Project, the Casagasic, KLM, Bell-Vezza, Sinclair-Bruneau, Florence and Céré-113 properties, comprising the Casa-Cameron Project and the Granada Extension Project, and three (3) Option and/or Joint Venture ("**JV**") properties, the Meunier-144 JV (50/50 JV with Tahoe Resources), The Dubuisson JV with Agnico Eagle Mines Limited ("**Agnico**") (46.5% Probe/53.5% Agnico) and the Detour Quebec Option with SOQUEM Inc. ("**SOQUEM**") (SOQUEM earning 50% interest). On July 27, 2016 the Company sold its Vezza North, Vezza Extension and Bachelor Extension properties, which were formerly part of the Casa-Cameron Project, to GFK Resources Inc. On November 28, 2016, Probe entered into an option agreement with Alexandria Minerals Corporation, whereby Probe may earn up to a 70% interest in the Cadillac Break East Property in Val-d'Or, Quebec. On January 17, 2017, Probe signed an option agreement with Richmond Mines Inc., whereby Probe may earn a 60% interest in the Monique Property, as part of the land consolidation program for its Val-d'Or East project. On June 29, 2017 Probe announced the acquisition of the Aurbel East property from QMX Gold Corporation ("**QMX**"), which is contiguous to the Company's Senore property within the Val-d'Or East project.

The Company also considers additional acquisitions of mineral property interests, or corporations holding mineral property interests, with the objectives of: (i) creating additional value for shareholders through the acquisition of additional mineral exploration properties; and (ii) helping to minimize exploration risk by attempting to diversify the Company's property portfolio. Although the Company believes that the current exploration prospects for its exploration projects are positive, mineral exploration in general is both uncertain and subject to fluctuating commodity prices resulting from changing trends in supply and demand.

### **Operational Highlights**

#### **Corporate**

On February 14, 2017, 9,750 stock options with an exercise price of \$0.49 and expiry date of February 14, 2024 were exercised for cash proceeds of \$4,778.

On February 21, 2017, 260,032 warrants with an exercise price of \$0.513 and expiry date of November 23, 2017 were exercised for cash proceeds of \$133,396.

On February 28, 2017, the Company completed a bought deal private placement of flow-through shares (the "**Offering**") of 886,151 Ontario flow-through common shares of the Company (the "**Ontario FT Shares**") at a price of \$1.68 per Ontario FT Share and 5,838,849 Quebec flow-through common shares of the Company (the "**Quebec FT Shares**") at a price of \$2.05 per Quebec FT Share for aggregate gross proceeds of \$13,458,374, collectively the flow through common shares.

**Probe Metals Inc.**  
**Interim Management's Discussion & Analysis – Quarterly Highlights**  
**Three and Six Months Ended June 30, 2017**  
**Dated: August 25, 2017**

---

The Offering was completed through a syndicate of underwriters led by Cormark Securities Inc., and included Macquarie Capital Markets Canada Ltd. and Industrial Alliance Securities (collectively, the "Underwriters"). In consideration for their services, the underwriters received a cash commission equal to 6 per cent of the gross proceeds of the Offering.

The Company also announced that Goldcorp Inc. ("**Goldcorp**") exercised its participation right to maintain its pro-rata interest in the Company. In connection with the Offering, Goldcorp purchased 975,000 common shares from subscribers to the Offering. Goldcorp now owns 12,868,646 common shares and 657,900 common share purchase warrants of Probe, which represents 13.9% of Probe's issued and outstanding common shares on a non-diluted basis and 14.5% on a partially diluted basis.

The proceeds from the Offering will be used to fund "Canadian exploration expenses" (within the meaning of the Tax Act) related to Probe's projects in Ontario and Québec, will qualify for inclusion in both the exploration base relating to certain Québec exploration expenses and the exploration base relating to certain Québec surface mining exploration expenses, as such terms are defined in the Taxation Act (Québec), and will be used for general working capital purposes.

On March 9, 2017, 50,310 warrants with an exercise price of \$1.154 and expiry date of May 4, 2017 were exercised for cash proceeds of \$58,058.

On March 14, 2017, 39,000 stock options with an exercise price of \$0.75 and expiry date of February 26, 2023 were exercised for cash proceeds of \$29,250, 29,250 stock options with an exercise price of \$0.49 and expiry date of February 14, 2024 were exercised for cash proceeds of \$14,333 and 58,500 stock options with an exercise price of \$0.26 and expiry date of March 19, 2025 were exercised for cash proceeds of \$15,210.

On March 15, 2017, 39,000 stock options with an exercise price of \$0.75 and expiry date of February 26, 2023 were exercised for cash proceeds of \$29,250, 39,000 stock options with an exercise price of \$0.49 and expiry date of February 14, 2024 were exercised for cash proceeds of \$19,110 and 78,000 stock options with an exercise price of \$0.26 and expiry date of March 19, 2025 were exercised for cash proceeds of \$20,280.

On April 13, 2017, 39,000 stock options with an exercise price of \$0.75 and expiry date of February 26, 2023 were exercised for cash proceeds of \$29,250.

On April 20, 2017, 9,750 stock options with an exercise price of \$0.75 and expiry date of February 26, 2023 were exercised for cash proceeds of \$7,313.

On April 26, 2017, 29,250 stock options with an exercise price of \$0.26 and expiry date of March 19, 2025 were exercised for cash proceeds of \$7,605.

On May 3, 2017, 66,690 warrants with an exercise price of \$1.154 and expiry date of May 4, 2017 were exercised for cash proceeds of \$76,960.

**Probe Metals Inc.**  
**Interim Management's Discussion & Analysis – Quarterly Highlights**  
**Three and Six Months Ended June 30, 2017**  
**Dated: August 25, 2017**

---

On May 19, 2017, 9,750 stock options with an exercise price of \$1.36 and expiry date of December 8, 2020 were exercised for cash proceeds of \$13,260.

On May 25, 2017, 19,500 stock options with an exercise price of \$0.75 and expiry date of February 26, 2023 were exercised for cash proceeds of \$14,625, 19,500 stock options with an exercise price of \$0.49 and expiry date of February 14, 2024 were exercised for cash proceeds of \$9,555 and 19,500 stock options with an exercise price of \$0.26 and expiry date of March 19, 2025 were exercised for cash proceeds of \$5,070.

On May 26, 2017, 29,250 stock options with an exercise price of \$0.49 and expiry date of February 14, 2024 were exercised for cash proceeds of \$14,333 and 19,500 stock options with an exercise price of \$0.75 and expiry date of February 26, 2023 were exercised for cash proceeds of \$14,625.

On May 29, 2017, 19,500 stock options with an exercise price of \$1.36 and expiry date of December 8, 2020 were exercised for cash proceeds of \$26,520.

On May 30, 2017, 48,750 stock options with an exercise price of \$1.36 and expiry date of December 8, 2020 were exercised for cash proceeds of \$66,300.

**Exploration update**

*Val-d'Or East project*

On January 17, 2017, the Company announced that it entered into a binding option agreement with Richmond Mines Inc., whereby Probe Metals may earn a 60% interest in the Monique Property, located 25 km east-southeast of Val-d'Or, Quebec. The Monique Property is comprised of 22 mining claims and will be part of the Company's Val-d'Or East Project.

On January 17, 2017, the Company also announced that it has acquired a 100% undivided interest in the Boudrias Property comprising 12 mining claims staked by Mr. Dean Boudrias, a Val-d'Or prospector. The Boudrias Property represents the northern extension of the Monique Property and the eastern extension of the Bonnefond North Property, recently acquire from QMX.

On March 6, 2017, the Company announced the results from an additional nine holes on its 100% owned Val-d'Or East project located near Val-d'Or, Quebec. The results represented the remaining holes drilled during the 11,500-metre 2016 program. In addition to follow-up drilling of the new gold discovery in Hole PC-16-90 (announced December 6, 2016) and further definition and delineation of the New Beliveau gold-bearing quartz-tourmaline vein system, drilling was also successful in discovering a new, high-grade gold zone hosted in diorite dyke 300 metres west of the former Beliveau Mine. Hole PC-16-100 intersected an impressive zone of quartz-tourmaline veining, which included an interval of 1,122 g/t gold ("Au") over 0.7 metres. Holes PC-16-102, -103, -104 & -105 also intersected significant gold mineralisation returning intercepts of up to 6 g/t Au over 3 metres, 1.7 g/t Au over 15 metres 7.2 g/t Au over 3.6 metres and 4.2 g/t Au over 11.5 metres, respectively. The new results indicate increased potential for both near-surface bulk tonnage and deeper, higher grade mineralized systems. Results also demonstrate the continuity of the gold mineralization and therefore the potential for growth of the resource to the west and at depth of known mineralization.

**Probe Metals Inc.**  
**Interim Management's Discussion & Analysis – Quarterly Highlights**  
**Three and Six Months Ended June 30, 2017**  
**Dated: August 25, 2017**

---

On May 16, 2017, the Company announced the results from an additional nineteen drill holes totaling 9,564 metres on its 100%-owned Val-d'Or East project. The recent drill results confirm the continuity of gold mineralization and the expansion potential of the New Beliveau deposit with impressive gold intersections in the majority of infill and expansion drill holes. Drilling has also indicated the presence of a newly identified, sub-vertical shear structure trending northeast across the deposit that hosts new high-grade results as well as the recently announced high-grade discovery containing 1,122 g/t gold over 0.7 metres. Owing to very positive exploration results to-date, the Company has decided to increase the 2017 drill program from 50,000 to 75,000 metres.

On June 6, 2017, the Company announced the results from an additional nineteen drill holes totaling 6,676 metres on its 100%-owned Val-d'Or East project. Results include two significant new, shallow, gold discoveries of 7.4 g/t Au over 12.4 metres and 7.8 g/t Au over 2.5 metres located 1,200 and 600 metres south of the former Beliveau Mine, respectively, and represent the furthest step-outs from the New Beliveau deposit to-date. These intervals are associated with new geophysical targets generated along the interpreted mineralized trend and suggest the potential for a much more extensive gold mineralized system than previously thought. In addition to the new zones, drilling also intersected numerous high-grade intervals within the New Beliveau deposit, including 12.3 g/t Au over 8.9 metres, as well as thick, near-surface gold intervals.

On June 29, 2017, the Company announced that it has acquired a 100% undivided interest in 6 mining claims in and adjacent to the Val-d'Or East project from private landowners for a cash payment of \$25,000.

On July 26, 2017, the Company announced that it completed the purchase of the Aurbel East Property from QMX for an aggregate cash payment of \$1,000,000. The property is situated immediately adjacent to the Company's Val d'Or East Project.

On August 16, 2017 the Company announced results from a further twenty seven (27) drill holes, totaling 11,358 metres, from its 100%-owned Val-d'Or East project. As of this drilling, the New Beliveau gold deposit mineralization has been identified over an expanded area of approximately 650 metres by 450 metres and to a depth of over 900 metres. Drilling to the south returned interesting results grading up to 2.5 g/t over 39.2 metres including 9.2 g/t Au over 5.4 metres, at vertical depth of approximately 100 metres, while expansion drilling to the West also returned interesting results with intercepts grading up to 2.7 g/t over 16.8 metres, including 9.8 g/t Au over 3 metres, at a vertical depth of approximately 350 metres. Drilling results continue to expand our understanding of the mineralizing controls and geometry at New Beliveau, including the identification of a stacked set of at least thirty (30) shallow dipping East-West auriferous veins, seven (7) North-South sub-vertical mineralized dyke and one East-North-East sub-vertical high grade structure. These results also include the best drill intercept to date in the North Zone located 500 metres North of New Beliveau with an intersection returning 2 g/t Au over 59.9 metres at 100 metres depth including a high-grade intercept grading 8.2 g/t Au over 7.2 metres.

**Probe Metals Inc.**  
**Interim Management's Discussion & Analysis – Quarterly Highlights**  
**Three and Six Months Ended June 30, 2017**  
**Dated: August 25, 2017**

---

### **Trends**

The gold price has displayed considerable volatility in the last few years. During the second quarter of 2017, the gold price fluctuated between a low of US\$1,220 per ounce and a high of US\$1,294 per ounce. The average gold price for the second quarter of US\$1,257 per ounce, was comparable to the second quarter of 2016 average of US\$1,259 per ounce, and a US\$38 per ounce increase compared to the first quarter of 2017 average.

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions.

Apart from these and the risk factors noted under the heading "Risks and Uncertainties", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

See "Cautionary Note Regarding Forward-Looking Statements" below.

### **Outlook**

The Company intends to continue exploring properties that have the potential to contain precious and base metals. In addition, management will review project submissions, and conduct independent research, for projects in such jurisdictions and commodities as it may consider prospective.

There is no assurance that equity capital will be available to the Company in the future in the amounts or at the times desired or on terms that are acceptable to the Company, if at all. See "Risks and Uncertainties" below.

### **Financial Highlights**

#### **Financial Performance**

The Company's net loss totaled \$3,274,971 for the three months ended June 30, 2017, with basic and diluted loss per share of \$0.04. This compares with a net loss of \$33,649,874 with basic and diluted loss per shares of \$0.78 for the three months ended June 30, 2016. The Company had no revenue in both periods presented. The decrease in net loss was principally due to:

- Exploration and evaluation expenditures decreased to \$3,262,498 for the three months ended June 30, 2017, compared to \$33,250,206 for the three months ended June 30, 2016. The decrease can be attributed to acquisition costs and exploration expenditures incurred on the West Porcupine Property of \$735,423 (three months ended June 30, 2016 - \$774,876), the Nova Scotia Property of \$63,966 (three months ended June 30, 2016 - \$nil) and the Adventure property portfolio of \$2,420,168 (three months ended June 30, 2016 - \$32,460,067) during the comparative period. Refer to the heading "Liquidity and Capital Resources" below for a summary of the Company's exploration programs for Probe's property portfolio. As operator of an option agreement with SOQUEM, the Company incurred exploration expenditures totalling \$9,585 (\$nil

**Probe Metals Inc.**  
**Interim Management's Discussion & Analysis – Quarterly Highlights**  
**Three and Six Months Ended June 30, 2017**  
**Dated: August 25, 2017**

---

for the three months ended June 30, 2016), on its Detour Soquem Option property and recharged it to its partner.

- Salaries and benefits decreased in the three months ended June 30, 2017, to \$171,227 compared with \$263,145 for the same period in 2016, primarily due to a decrease in employees.
- Share-based payments increased in the three months ended June 30, 2017, to \$424,432 compared with \$51,519 for the same period in 2016. The increase is due to the timing of expensing the estimated fair value of stock options granted in prior and current periods. The Company expenses its stock options in accordance with the vesting terms of the stock options granted.
- Professional fees increased in the three months ended June 30, 2017, to \$43,250 compared with \$35,548 for the same period in 2016, primarily due to higher corporate activity requiring external professional support services.
- Travel and promotion costs increased in the three months ended June 30, 2017, to \$102,954 compared with \$50,948 for the same period in 2016, primarily due to higher corporate activity requiring travel by management.
- Shareholder information decreased in the three months ended June 30, 2017, to \$21,335 compared with \$30,950 for the same period in 2016, primarily due to higher corporate activity related to the Adventure acquisition in the comparative period.
- Administrative costs increased in the three months ended June 30, 2017, to \$57,366 compared with \$39,025 for the same period in 2016. Administrative costs consisted of administrative costs such as telephone charges, insurance, postage, bank charges and office supplies.
- Interest income increased in the three months ended June 30, 2017, to \$73,013 compared with \$34,601 for the same period in 2016. Interest income was recorded during the period for interest earned on cash balances.
- Loss on marketable securities increased in the three months ended June 30, 2017, to \$63,132 compared with a gain of \$96,067 for the same period in 2016. The increase in loss was due to the change in fair value of marketable securities.
- Premium on flow-through shares increased in the three months ended June 30, 2017, to \$896,443 compared to \$nil for the same period in 2016. The Company has adopted a policy whereby proceeds from flow-through issuances are allocated between the offering of shares and the sale of tax benefits based on the difference between the quoted price of the existing shares and the amount the investor pays for the shares. A liability is recognized for this difference and is extinguished by crediting premium on flow-through shares on a pro-rata basis as the expenditures are made.
- All other expenses related to general working capital purposes.

**Probe Metals Inc.**  
**Interim Management's Discussion & Analysis – Quarterly Highlights**  
**Three and Six Months Ended June 30, 2017**  
**Dated: August 25, 2017**

---

The Company's total assets at June 30, 2017 were \$38,133,562 (December 31, 2016 - \$30,767,603) against total liabilities of \$5,076,672 (December 31, 2016 - \$919,776). The increase in total assets of \$7,365,959 resulted from the Offering of \$13,458,374 which was offset by cash spent on property and equipment in the amount of \$466,866, exploration and evaluation expenditures and operating costs. The Company has sufficient current assets to pay its existing liabilities of \$5,076,672 at June 30, 2017. Liabilities include flow-through share liability of \$3,752,181 which is not settled through cash payments. Instead, this balance is amortized against qualifying flow-through expenditures which are required to be incurred before December 31, 2018.

Pursuant to the terms of flow-through share agreement, the Company is in the process of complying with its flow-through contractual obligations to subscribers with respect to the Income Tax Act (Canada) requirements for flow-through shares. As of June 30, 2017, the Company is committed to incurring approximately \$10.9 million in Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) by December 31, 2018, arising from the flow-through offerings.

### **Cash Flows**

At June 30, 2017, the Company had cash of \$31,751,509. The increase in cash of \$5,342,830 from the December 31, 2016 cash balance of \$26,408,679 was as a result of cash outflows in operating activities of \$7,298,496. Operating activities were affected by adjustments of share-based payments of \$948,503, depreciation of \$36,355, accrued interest receivable of \$22,993, gain on marketable securities of \$1,184,986, premium on flow-through shares of \$896,443 and net change in non-cash working capital balances of \$25,910 because of an increase in trade accounts receivable and other receivables of \$447,148, a decrease in prepaid expenses of \$16,523 and an increase in amounts payable and other liabilities of \$404,715.

Cash used in investing activity was \$466,866 for the six months ended June 30, 2017. This related to the acquisition of property and equipment, which includes computer equipment, field equipment, site building, and building of \$466,866.

Cash provided by financing activities was \$13,108,192 for the six months ended June 30, 2017. Financing activities were affected by the Offering of \$13,458,374 which was offset by share issue costs of \$959,262. In addition, cash of \$340,665 was received from the exercise of stock options and cash of \$268,415 was received from the exercise of warrants.

### **Liquidity and Capital Resources**

From management's point of view, the Company's cash of \$31,751,509 at June 30, 2017 is adequate to cover current expenditures and exploration expenses for the coming year. The Company also has marketable securities of \$4,393,637 at June 30, 2017 (December 31, 2016 – \$3,208,651), which can be sold if the Company deems it prudent to do so.

The Company may, from time to time, when marketing and financing conditions are favourable, proceed with fundraising to fund exploration and property acquisition projects.

**Probe Metals Inc.**  
**Interim Management's Discussion & Analysis – Quarterly Highlights**  
**Three and Six Months Ended June 30, 2017**  
**Dated: August 25, 2017**

The activities of the Company, principally the acquisition and exploration of properties that have the potential to contain precious and base metals, are financed through the completion of equity transactions such as equity offerings and the exercise of stock options. There is no assurance that equity capital will be available to the Company in the future in the amounts or at the times desired or on terms that are acceptable to the Company, if at all. See "Risks and Uncertainties" below.

As of June 30, 2017, and to the date of this Interim MD&A, the cash resources of the Company are held with certain Canadian chartered banks.

The following table summarizes the Company's current exploration programs on all of its properties, total estimated cost to complete each exploration program, and total expenditures incurred to date:

*Table A – Mineral Exploration Properties*

<b>Property/Project</b>	<b>Activities Completed (Six Months Ended June 30, 2017)</b>	<b>Plans for the Project</b>	<b>(A) Estimated Cost to Complete</b>	<b>(B) Spent</b>	<b>Total (A+B)</b>
Pascalis, Senore, Beaufor West, Beaufor North <sup>(1)</sup>	Drilling, Geochemistry, Airborne, LIDAR, Technical studies and ground geophysics	Airborne and ground geophysics, Mapping, Drilling, LIDAR, Technical Studies	\$4,526,300	\$3,973,700	\$8,500,000
Megiscane-Tavernier <sup>(1)</sup>	Airborne geophysical survey	Airborne, Prospecting	\$48,700	\$111,300	\$160,000
Lapaska <sup>(1)</sup>	None	Airborne, Geological Compilation	\$8,000	\$2,000	\$10,000
Casagasic <sup>(2)</sup>	Ground geophysical survey	Ground geophysics	\$7,600	\$27,400	\$35,000
KLM <sup>(2)</sup>	None	Program Planning (2018)	\$750	\$250	\$1,000
Bell-Vezza <sup>(2)</sup>	Airborne geophysical survey	Airborne geophysics	\$5,900	\$34,100	\$40,000
Sinclair-Bruneau <sup>(2)</sup>	Geological Compilation, Ground geophysical survey	Ground geophysics	\$13,100	\$186,900	\$200,000
Florence <sup>(2)</sup>	Airborne geophysical survey	Airborne, Prospecting, Soil sampling	\$77,000	\$143,000	\$220,000
Céré-113 <sup>(2)</sup>	None	Program Planning (2018)	\$nil	\$nil	\$nil

**Probe Metals Inc.**  
**Interim Management's Discussion & Analysis – Quarterly Highlights**  
**Three and Six Months Ended June 30, 2017**  
**Dated: August 25, 2017**

Detour Quebec North <sup>(3)</sup>	Geological Compilation, Ground geophysical survey	Ground geophysics	\$6,500	\$73,500	\$80,000
Detour Quebec East <sup>(3)</sup>	Airborne geophysical survey	Airborne	\$3,400	\$121,600	\$125,000
Detour Quebec SOQUEM Option <sup>(3,4)</sup>	Ground geophysical survey	Prospecting, Ground and airborne geophysics	\$324,800	\$275,200	\$600,000
Dubuisson (JV) <sup>(5)</sup>	None	Program Planning (2018)	\$nil	\$nil	\$nil
Granada Extension <sup>(6)</sup>	None	Program Planning (2018)	\$nil	\$nil	\$nil
West Porcupine	Ground geophysical survey, soil sampling, mapping, drilling	Geophysical survey, Soil sampling, Mapping, Drilling	\$156,200	\$1,043,800	\$1,200,000
West Timmins (JV)	None	Program Planning (2018)	\$nil	\$nil	\$nil
Black Creek	None	Program Planning (2018)	\$400	\$1,600	\$2,000
Tamarack	None	Airborne geophysics, Program Planning (2018)	\$149,800	\$200	\$150,000
Victory	None	Program Planning (2018)	\$nil	\$nil	\$nil
<b>Total exploration expenditures</b>			<b>\$5,328,450</b>	<b>\$5,994,550</b>	<b>\$11,323,000</b>

- (1) Included in the Val-d'Or East Project;  
(2) Included in the Casa-Cameron Project;  
(3) Included in the Detour Quebec Project;  
(4) Exploration work funded by SOQUEM – not included in the Total exploration expenditures;  
(5) Included in the Option and/or JV properties; and  
(6) Included in the Granada Extension Project.

**Probe Metals Inc.**  
**Interim Management's Discussion & Analysis – Quarterly Highlights**  
**Three and Six Months Ended June 30, 2017**  
**Dated: August 25, 2017**

*Table B – Mineral Exploration Properties under Option*

<b>Property/Project</b>	<b>Activities Completed (Six Months Ended June 30, 2017)</b>	<b>Plans for the Project</b>	<b>(A) Estimated Cost to Complete</b>	<b>(B) Spent</b>	<b>Total (A+B)</b>
Cadillac Break East <sup>(1)</sup>	Geological Compilation, Airborne geophysical survey, mapping	Airborne and ground geophysics, Prospecting, Geological Mapping, Drilling	\$902,200	\$247,800	\$1,150,000
Monique <sup>(1)</sup>	Geological Compilation, ground geophysics	Ground geophysics, Prospecting, Drilling	\$323,900	\$201,100	\$525,000
<b>Total exploration expenditures (Table B)</b>			<b>\$1,226,100</b>	<b>\$448,900</b>	<b>\$1,675,000</b>
<b>Total exploration expenditures (Tables A and B)</b>			<b>\$6,554,550</b>	<b>\$6,443,450</b>	<b>\$12,998,000</b>

**Technical Information**

David Palmer, Ph.D., P.Geo., is the “qualified person”, within the meaning of NI-43,101, who has approved all scientific and technical information disclosed in this Interim MD&A relating to *Table A – Mineral Exploration Properties* and *Table B – Mineral Exploration Properties under Option* under the heading “Liquidity and Capital Resources”. Dr. Palmer is the President, Chief Executive Officer (“CEO”) and a director of the Company.

**Related Party Transactions**

(a) Related parties include the Board and management, close family and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

The Company entered into the following transactions with related parties:

**Probe Metals Inc.**  
**Interim Management's Discussion & Analysis – Quarterly Highlights**  
**Three and Six Months Ended June 30, 2017**  
**Dated: August 25, 2017**

<b>Names</b>	<b>Three Months Ended June 30, 2017 (\$)</b>	<b>Three Months Ended June 30, 2016 (\$)</b>	<b>Six Months Ended June 30, 2017 (\$)</b>	<b>Six Months Ended June 30, 2016 (\$)</b>
Peterson McVicar LLP (" <b>Peterson</b> ") <sup>(1)</sup>	4,512	87,467	119,567	147,789
Marrelli Support Services Inc. (" <b>Marrelli Support</b> ") <sup>(2)</sup>	13,740	10,680	33,540	21,430
DSA Corporate Services Inc. (" <b>DSA</b> ") <sup>(2)</sup>	4,422	10,745	8,124	14,080
<b>Total</b>	<b>22,674</b>	<b>108,892</b>	<b>161,231</b>	<b>183,299</b>

<sup>(1)</sup> Dennis H. Peterson, a director of the Company, controls Peterson which provided legal services to the Company. The amounts charged by Peterson are based on what Peterson usually charges its clients. The Company expects to continue to use Peterson for an indefinite period. As at June 30, 2017, Peterson was owed \$8,785 (December 31, 2016 - \$17,581) and this amount was included in amounts payable and other liabilities.

<sup>(2)</sup> During the three and six months ended June 30, 2017, the Company paid professional fees of \$13,740 and \$33,540, respectively (three and six months ended June 30, 2016 - \$10,680 and \$21,430, respectively) to Marrelli Support, an organization of which Carmelo Marrelli is president. Mr. Marrelli is the Chief Financial Officer ("**CFO**") of the Company. These services were incurred in the normal course of operations for general accounting and financial reporting matters. Marrelli Support also provides bookkeeping services to the Company. As at June 30, 2017, Marrelli Support was owed \$3,390 (December 31, 2016 - \$10,260) and this amount was included in amounts payable and other liabilities.

During the three and six months ended June 30, 2017, the Company paid professional fees of \$4,422 and \$8,124, respectively (three and six months ended June 30, 2016 - \$10,745 and \$14,080, respectively) to DSA, an organization of which Mr. Marrelli controls. Mr. Marrelli is also the corporate secretary and sole director of DSA. These services were incurred in the normal course of operations for corporate secretarial matters. All services were made on terms equivalent to those that prevail with arm's length transactions. As at June 30, 2017, DSA was owed \$1,510 (December 31, 2016 - \$2,104) and this amount was included in amounts payable and other liabilities.

<sup>(3)</sup> On June 10, 2016, pursuant to the Transaction, Marco Gagnon, Executive Vice President and a director of Probe received 341,250 stock options of the Company with a fair value of \$148,688.

The above noted transactions are in the normal course of business and approved by the Board in strict adherence to conflict of interest laws and regulations.

(b) At June 30, 2017, Goldcorp owned 12,868,646 common shares of Probe, representing approximately 13.8% of the issued and outstanding common shares of the Company. The remaining 86.2% of the shares are widely held, which includes various small holdings which are owned by directors of the Company. These holdings can change at any time at the discretion of the owner.

The Company's major shareholder does not have different voting rights than other holders of the Company's common shares.

**Probe Metals Inc.**  
**Interim Management's Discussion & Analysis – Quarterly Highlights**  
**Three and Six Months Ended June 30, 2017**  
**Dated: August 25, 2017**

---

The Company is not aware of any arrangements that may at a subsequent date result in a change in control of the Company. To the knowledge of the Company, other than Goldcorp, who owns or controls, directly or indirectly, approximately 13.8% of the issued and outstanding shares at June 30, 2017, the Company is not directly or indirectly owned or controlled by another corporation, by any government or by any natural or legal person severally or jointly.

(c) Remuneration of directors and key management personnel, other than consulting fees, of the Company was as follows:

	<b>Salaries and Benefits (\$)</b>	<b>Share-based Compensation (\$)</b>	<b>Total (\$)</b>
<b>Six Months Ended June 30, 2017</b>			
David Palmer, CEO, Director	165,000	156,517	321,517
Yves Dessureault, Chief Operating Officer	125,000	52,126	177,126
Patrick Langlois, Vice President, Corporate Development	105,000	37,427	142,427
Marco Gagnon, Executive Vice President	107,500	33,074	140,574
Jamie Sokalsky, Chairman of the Board	36,000	73,983	109,983
Gordon McCreary, Director	18,000	37,427	55,427
Basil Haymann, Director	18,000	37,427	55,427
Dennis Peterson, Corporate Secretary, Director	18,000	37,427	55,427
Carmelo Marrelli, CFO	nil	8,655	8,655
<b>Total</b>	<b>592,500</b>	<b>474,063</b>	<b>1,066,563</b>

Probe Metals Inc.  
Interim Management's Discussion & Analysis – Quarterly Highlights  
Three and Six Months Ended June 30, 2017  
Dated: August 25, 2017

	Salaries and Benefits (\$)	Share-based Compensation (\$)	Total (\$)
<b>Three Months Ended June 30, 2017</b>			
David Palmer, CEO, Director	82,500	76,265	158,765
Yves Dessureault, Chief Operating Officer	62,500	975	63,475
Patrick Langlois, Vice President, Corporate Development	52,500	976	53,476
Marco Gagnon, Executive Vice President	53,750	nil	53,750
Jamie Sokalsky, Chairman of the Board	18,000	1,756	19,756
Gordon McCreary, Director	9,000	976	9,976
Basil Haymann, Director	9,000	976	9,976
Dennis Peterson, Corporate Secretary, Director	9,000	976	9,976
Carmelo Marrelli, CFO	nil	292	292
<b>Total</b>	<b>296,250</b>	<b>83,192</b>	<b>379,442</b>

	Salaries and Benefits (\$)	Share-based Compensation (\$)	Total (\$)
<b>Six Months Ended June 30, 2016</b>			
David Palmer, CEO, Director	150,000	31,224	181,224
Yves Dessureault, Chief Operating Officer	115,000	15,612	130,612
Patrick Langlois, Vice President, Corporate Development	87,500	15,612	103,112
Jamie Sokalsky, Chairman of the Board	18,000	28,101	46,101
Gordon McCreary, Director	9,000	15,612	24,612
Basil Haymann, Director	9,000	15,612	24,612
Dennis Peterson, Corporate Secretary, Director	9,000	15,612	24,612
Carmelo Marrelli, CFO	nil	4,683	4,683
<b>Total</b>	<b>397,500</b>	<b>142,068</b>	<b>539,568</b>

**Probe Metals Inc.**  
**Interim Management's Discussion & Analysis – Quarterly Highlights**  
**Three and Six Months Ended June 30, 2017**  
**Dated: August 25, 2017**

	<b>Salaries and Benefits (\$)</b>	<b>Share-based Compensation (\$)</b>	<b>Total (\$)</b>
<b>Three Months Ended June 30, 2016</b>			
David Palmer, CEO, Director	75,000	10,733	85,733
Yves Dessureault, Chief Operating Officer	57,500	5,367	62,867
Patrick Langlois, Vice President, Corporate Development	43,750	5,367	49,117
Jamie Sokalsky, Chairman of the Board	9,000	9,659	18,659
Gordon McCreary, Director	4,500	5,367	9,867
Basil Haymann, Director	4,500	5,367	9,867
Dennis Peterson, Corporate Secretary, Director	4,500	5,367	9,867
Carmelo Marrelli, CFO	nil	1,609	1,609
<b>Total</b>	<b>198,750</b>	<b>48,836</b>	<b>247,586</b>

The directors do not have employment or service contracts with the Company. Directors are entitled to director fees and stock options for their services. As at June 30, 2017, officers and directors were owed \$86,775 (December 31, 2016 - \$470,456) and this amount was included in amounts payable and other liabilities.

**Disclosure of Internal Controls**

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that the unaudited condensed interim consolidated financial statements (i) do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, and (ii) fairly present in all material respects the financial condition, results of operations and cash flow of the Company, in each case as of the date of and for the periods presented by such statements.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings ("**NI 52-109**"), the Venture Issuer Basic Certificate filed by the CEO and CFO of the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("**DC&P**") and internal control over financial reporting ("**ICFR**"), as such terms are defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

- (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

**Probe Metals Inc.**  
**Interim Management's Discussion & Analysis – Quarterly Highlights**  
**Three and Six Months Ended June 30, 2017**  
**Dated: August 25, 2017**

---

- (ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of unaudited condensed interim consolidated financial statements for external purposes in accordance with IFRS.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of the Company's certifying officers of a venture issuer to design and implement, on a cost effective basis, DC&P and ICFR may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports required to be provided under securities legislation.

### **Risks and Uncertainties**

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risks and Uncertainties" in the Company's Annual MD&A for the year ended December 31, 2016, available on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Cautionary Note Regarding Forward-Looking Statements**

This Interim MD&A contains certain "forward-looking information" as defined in applicable securities laws (collectively referred to herein as "**forward-looking statements**"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "budgeted", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. The forward-looking statements in this Interim MD&A speak only as of the date of this Interim MD&A or as of the date specified in such statements. The following table outlines certain significant forward-looking statements contained in this Interim MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

**Probe Metals Inc.**  
**Interim Management's Discussion & Analysis – Quarterly Highlights**  
**Three and Six Months Ended June 30, 2017**  
**Dated: August 25, 2017**

<b>Forward-looking statements</b>	<b>Assumptions</b>	<b>Risk factors</b>
Regardless of whether the Company discovers a significant precious or base metal deposit, its working capital of \$32,140,729 at June 30, 2017 is anticipated to be adequate for it to continue operations for the twelve-month period ending June 30, 2018	The operating and exploration activities of the Company for the twelve-month period ending June 30, 2018, and the costs associated therewith, will be consistent with the Company's current expectations; and equity markets, exchange and interest rates and other applicable economic conditions will be favourable to the Company	Unforeseen costs to the Company will arise; any particular operating cost increase or decrease from the date of the estimation; changes in operating and exploration activities; changes in economic conditions; timing of expenditures
The Company's properties may contain economic deposits of minerals	The actual results of the Company's exploration and development activities will be favourable; operating, exploration and development costs will not exceed the Company's expectations; all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company, and applicable political and economic conditions are favourable to the Company; the price of applicable commodities and applicable interest and exchange rates will be favourable to the Company; no title disputes exist or will arise with respect to the Company's properties; and the Company has or will obtain adequate property rights to support its exploration and development activities	Commodity price volatility; uncertainties involved in interpreting geological data and confirming title to acquired properties; inability to secure necessary property rights; the possibility that future exploration results will not be consistent with the Company's expectations; increases in costs; environmental compliance and changes in environmental and other applicable legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions
The Company's anticipated business plans, including costs and timing for future exploration on its property interests and acquisitions of additional mineral resource properties or interests therein	The exploration activities of the Company and the costs associated therewith, will be consistent with the Company's current expectations; and equity markets, exchange and interest rates and other applicable economic conditions will be	Commodity price volatility; changes in the condition of debt and equity markets; timing and availability of external financing on acceptable terms may not be as anticipated; the uncertainties involved in interpreting geological data and confirming

**Probe Metals Inc.**  
**Interim Management’s Discussion & Analysis – Quarterly Highlights**  
**Three and Six Months Ended June 30, 2017**  
**Dated: August 25, 2017**

Forward-looking statements	Assumptions	Risk factors
	favourable to the Company; financing will be available for the Company’s exploration and development activities on favourable terms; the Company will be able to retain and attract skilled staff; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company; the Company will not be adversely affected by market competition; the price of applicable commodities will be favourable to the Company; no title disputes exist or will arise with respect to the Company’s properties; the Company has or will obtain adequate property rights to support its exploration and development activities; and the Company will be able to successfully identify and negotiate new acquisition opportunities	title to acquired properties; inability to secure necessary property rights; the possibility that future exploration results will not be consistent with the Company’s expectations; increases in costs; environmental compliance and changes in environmental and other applicable legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company may be unable to retain and attract skilled staff; receipt of applicable permits is subject to governmental and/or regulatory approvals; the Company does not have control over the actions of its joint venture partners and/or other counterparties
Management’s outlook regarding future trends and exploration programs	Financing will be available for the Company’s exploration and operating activities; the price of applicable commodities will be favourable to the Company; the actual results of the Company’s exploration and development activities will be favourable; management is aware of all applicable environmental obligations	Commodity price volatility; changes in the condition of debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions; the possibility that future exploration results will not be consistent with the Company’s expectations; changes in environmental and other applicable legislation and regulation

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company’s ability to predict or control. Please also make reference to those risk factors identified or otherwise indirectly referenced in the “Risks and Uncertainties” section above. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements contained in this Interim MD&A, and that the assumptions underlying such statements

**Probe Metals Inc.**  
**Interim Management's Discussion & Analysis – Quarterly Highlights**  
**Three and Six Months Ended June 30, 2017**  
**Dated: August 25, 2017**

---

may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Interim MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary note. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

**Subsequent Event**

On July 26, 2017, the Company announced that it completed the purchase of the Aurbel East Property from QMX for an aggregate cash payment of \$1,000,000. The property is situated immediately adjacent to the Company's Val d'Or East Project.

On August 16, 2017 the Company announced results from a further twenty seven (27) drill holes, totaling 11,358 metres, from its 100%-owned Val-d'Or East project. As of this drilling, the New Beliveau gold deposit mineralization has been identified over an expanded area of approximately 650 metres by 450 metres and to a depth of over 900 metres. Drilling to the south returned interesting results grading up to 2.5 g/t over 39.2 metres including 9.2 g/t Au over 5.4 metres, at vertical depth of approximately 100 metres, while expansion drilling to the West also returned interesting results with intercepts grading up to 2.7 g/t over 16.8 metres, including 9.8 g/t Au over 3 metres, at a vertical depth of approximately 350 metres. Drilling results continue to expand our understanding of the mineralizing controls and geometry at New Beliveau, including the identification of a stacked set of at least thirty (30) shallow dipping East-West auriferous veins, seven (7) North-South sub-vertical mineralized dyke and one East-North-East sub-vertical high grade structure. These results also include the best drill intercept to date in the North Zone located 500 metres North of New Beliveau with an intersection returning 2 g/t Au over 59.9 metres at 100 metres depth including a high-grade intercept grading 8.2 g/t Au over 7.2 metres.