MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED JANUARY 31, 2015
CONTAINING INFORMATION UP TO AND INCLUDING MARCH 31, 2015

INTRODUCTION

This Management's Discussion and Analysis ("MD&A") is prepared as of March 31, 2015 and should be read in conjunction with the audited annual financial statements of Great Lakes Graphite Inc. (the "Company") for the years ended October 31, 2014 and 2013, and the unaudited financial statements of the Company for the three-month period ended January 31, 2015, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). This MD&A includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical fact, that address future exploration activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Additional information can be found on SEDAR at www.sedar.com. All amounts are in Canadian dollars.

Forward Looking Statements

This report may contain forward-looking statements that involve a number of risks and uncertainties including statements regarding the outlook for the Company's business and operational results. By nature, these risks and uncertainties could cause actual results to differ materially from what has been indicated. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves, the grade and recovery of ore which is mined from estimates, capital and operating costs varying significantly from estimates, aboriginal challenges, delays in or failure to obtain governmental, environmental or other project approvals and other factors including those risks and uncertainties identified above. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information as a result of new information, future results or other such factors which affect this information, except as required by law.

OVERVIEW

Great Lakes Graphite Inc. (the "Company"), formerly Shield Gold Inc., was incorporated under the laws of the Province of Ontario, by Articles of Incorporation dated February 4, 2004. On May 14, 2014, by way of Articles of Amendment, the Company changed its name from Shield Gold Inc. to Great Lakes Graphite Inc. The Company is in the business of mineral exploration and is actively engaged in the acquisition and exploration of mineral properties in Canada. Substantially all of the efforts of the Company are devoted to these business activities. To date the Company has not earned significant revenue and is considered to be in the exploration stage. Great Lakes Graphite Inc. is a TSX Venture Exchange ("TSXV") Tier 2 listed company and trades on the TSXV under the symbol "GLK" (formerly "SHG"). The Company's registered office is at 2 Queen St. East, Suite 1500, Toronto, Ontario, M5C 3G5. Shares of the Company also trade as OTC:GLKIF and FWB:8GL.

The Company is extremely encouraged with its progress and believes it is making important steps forward in its business objective of becoming a new North American near-term producer of high-grade graphite. Tesla Motors Inc. ("Tesla"), recently announced plans to build a new $5 billion lithium-ion battery plant in the United States. As well, co-founder of Tesla, Elon Musk, stated the company "plans to use only raw materials sourced in North America for its U.S. battery factory". According to Simon Moores at Industrial Minerals ("IM"), the output of this factory would more than double the size of the current market for graphite and the graphite industry would likely be the beneficiary of this growth. In IM's calculations, demand for natural flake graphite could increase by up to 37% by the year 2020, requiring equivalent production from six to nine new graphite mines.

OVERALL PERFORMANCE

Exploration Activities

- On March 4, 2014, the Company announced that it had signed a definitive purchase agreement with Rock Tech Lithium Inc. ("Rock Tech") to acquire the Lochaber graphite deposit located in the Buckingham Graphite region in Outaouais/Gatineau, Quebec (the "Purchase Agreement"). Minor amendments to the Purchase Agreement were executed on May 16, 2014 and September 22, 2014.

  The Lochaber Graphite Property is comprised of 151 mineral claims, in four contiguous blocks, covering 9,062 hectares in Buckingham and Lochaber Townships. Two of the Rock Tech claim blocks are contiguous with the Company's existing claims in the area, namely those in the Diamond and the Bell claim blocks. The Purchase Agreement between the companies provides for the Company to pay Rock Tech a total of $300,000 in cash and issue a total of 15 million common shares of the Company to Rock Tech or to whom it may direct.

  The acquisition was subject to and conditional upon TSXV and other regulatory approvals and satisfactory due diligence, including satisfaction with the results of metallurgical testing on samples that will be supplied by Rock Tech. On completion of the acquisition Rock Tech will have the right to appoint one nominee to the Board of Directors of the Company. Final acceptance of the related filing documents for the transaction was given by the TSXV on July 28, 2014.

  The Lochaber Graphite Property, considered highly prospective for large flake, crystalline graphite, has an historic record of exploration and production. Numerous flake graphite occurrences on the property are some of the oldest graphite showings in Canada, having been discovered in the late 1800s and early 1900s. There are Four historical graphite occurrences (the "MacLaren" "Kelly North", "Kelly South" and "Burke" showings) and two past producing graphite mines (the "Mayo" and "Plumbago" mines) located in an area of 16 km2 on the "main" claim block.

  In 1867 a graphite mill was erected by the Lochia Plumbago Company on the Blanche River to process graphite material that was hauled from various mining properties in the area. During that time the mill was operated by the Kelly family.

  In 1941, a metallurgical test was carried out on a sample from the Kelly occurrence with a head grade of 21.17% carbon. The graphite material was concentrated by floatation, dried and screened on 65 mesh (0.212 mm), 120 mesh (0.125 mm) and 150 mesh (0.106 mm). 34.37% material was coarser than 65 mesh (0.212 mm) and assayed 87% carbon (GM14486: Canada Department of Mines and Resources, Ore Dressing and Metallurgical Laboratories Report on Investigation No. 1085, dated September 2nd, 1941). Similarly, a second sample with head grade of 23.53% carbon, concentrated by flotation, indicated 31.27% material coarser than 65 mesh (0.212 mm) and assayed 84.5% carbon (GM14485: Canada Department of Mines and Resources, Ore Dressing and Metallurgical Laboratories Report on Investigation No. 1084, dated August 30th, 1941).

In 1985 and 1986, Bay Resources and Services Inc. carried out an exploration program comprising 39 drill holes over 10,203 feet (3,110 m) on the Kelly, McLaren and Burke occurrences, and modeled an historical resource estimate of 90,654 tons (or 82,263 tonnes) at 8% graphite or 59,609 tons (or 54,091 tonnes) at 10% graphite (source: GM 43058: Geological Report on the Bay Resources & Services Inc., Graphite Deposit, Lochaber Township, Quebec; dated April 1986). The author of the report (Daniele Heon, Geologist) estimated the tonnage for a volume grading 8% Cg ("carbon as graphite") or 10% Cg using graphite intersections in the drill core. Each drill-hole intersection was extrapolated to 25 feet (7.62 m) on each side and the calculated volume was divided by a rock factor of 13 cubic feet per ton, representing the specific gravity of marble, the graphite host rock. *A qualified person has not done sufficient work to classify the historical estimates as current mineral resources and the Company is not treating the historical estimate as current mineral resources compliant with National Instrument 43-101*. The Company believes that the historical estimate is relevant to an appraisal of the merits of the property and forms a reliable basis upon which to develop future exploration programs. Flake size reported in the 1986 drilling report indicated 0.1 cm to 0.5 cm (source: GM 43058: Geological Report on the Bay Resources & Services Inc., Graphite Deposit, Lochaber Township, Quebec; dated April 1986).

Rock Tech completed eight trenches and carried out channel sampling, ground geophysical surveys and over 7,000 m of drilling in late 2012 in the Plumbago mine area. The exploration work delineated two areas of graphite mineralization: Conductor "A" is 700 m long, and 27 m to 100 m wide; and Conductor "C" is 600 m long and 29 m to 82 m wide. Both conductors were drill-tested down to at least 150 m below surface. A majority of the drill holes intersected graphite mineralization. Previous exploration work included over 4,000 m of diamond drilling by previous operators during the 1980s.

Rock Tech also shipped samples for metallurgical testing to determine the quality of graphite, flake size, and recoverability. Preliminary metallurgical results carried out by Global Mineral Research Inc. in Burnaby, BC indicated the following flake size distribution:

- 48.1% of the graphite concentrate being greater than 80 (Tyler) mesh (180μm) in size;
- 30.5% of the graphite concentrate being between 80 and 200 mesh (180μm and 75μm) in size; and
- 21.4 % of the graphite concentrate passing 200 mesh (75μm).

On September 18, 2014 the Company announced that preliminary mineral processing studies ("metallurgical testing") of graphite samples from the Company's Lochaber Graphite Project (acquired in the Rock Tech Purchase Agreement) demonstrated that a graphite concentrate containing over 57% large flakes (+70 mesh or >180 microns) can be produced from that material. In addition over 45% of the concentrate was classified as jumbo flake (+50 mesh or >300 microns). This represents an exceptional size distribution and the potential for a graphite product that typically attracts a premium price based on the size of the flake. These results confirm the outcome of previous testing carried out on diamond drill core samples by Rock Tech in 2013. This testing has also validated the performance of a new process flow sheet that can be incorporated into future economic and feasibility studies to be commissioned by the Company.

The Particle-Size Distribution Analysis was done by Process Research ORTECH Inc. ("PRO") of Mississauga, ON on composite material taken from a bulk sample acquired in August (see news release dated August 27, 2014). The material for this initial sample was visually selected from waste piles at the historical Plumbago Mine site, located on the Lochaber property, with the objective of retrieving high-grade material to be used for the initial metallurgical testing; this material is not intended to be broadly representative of the mineralization that is the target of the ongoing exploration work on the property. The test produced six final concentrates that showed a consistent flake-size distribution and a flake-size distribution of 57.6% greater than 70 mesh; this is the industry-standard premium product. A summary of the overall distribution of particle sizes is as follows:

Graphite Class	**Mesh**	**Microns**	**Percentage**
Super Jumbo Flake / XXL	+30 mesh	>500 microns	1.44%
Jumbo Flake / XL	-30 to +50 mesh	>300 microns	44.00%
Large Flake	-50 to +70 mesh	>180 microns	12.20%
Medium Flake	-70 to +100 mesh	>100 microns	13.60%
Fine Flake	-100 to +140 mesh	>106 microns	7.70%
Powder	- 140 mesh	<106 micron	21.10%
Total Large, Jumbo and Super Jumbo			**57.60%**

The Company announced that it had staked on its own account 12 additional claims contiguous with the main block of claims included in the Company's Lochaber Graphite Project. The new claims added an additional 720 ha to the Project area; however, 120 claims were allowed to expire in the month of October 2014. The current Property comprises 44 claims covering 2,528 ha.

In December, 2014, the Company engaged SRK Consulting to complete the preparation of an NI 43-101-compliant Mineral Resource Estimate for the Lochaber Graphite Property. Preliminary work toward the Resource Estimate including all of the supporting data that have been used in internal studies and scenarios were made available to SRK Consulting. The Company expected the Resource Estimate to be published during the first quarter of 2015. Also in December a field crew and diamond drilling equipment were mobilized to the Lochaber Graphite Property to carry out a program of drilling to provide additional data for the Resource Estimate and a contemplated Feasibility Study in the near future.

On January 22, 2015 the Company announced the completion of its winter drill program at the Lochaber Graphite Project. Eight drill holes were completed for a total of 1,200 m of drilling. The information collected from this program will be used to verify data from past drilling programs and it will also be used for the NI 43-101 Resource Calculation being compiled by SRK Consulting.

The drill program was successful, with some of the drill holes collaring in graphite mineralization that continued over their entire length. Each drill hole was intentionally ended at a set depth below the base of the proposed pit bottom. Further, mineralogical and lithological information from several drill holes strongly indicate that graphite mineralization was intersected over significant widths. All core samples from the drill program were submitted to AGAT Laboratories in Mississauga, Ontario for analysis.

Future Development Work

The previous exploration work and planned due diligence and in-fill diamond drilling will provide the basis to carry out an NI 43-101-compliant estimate of the graphite resources on the property. Based on the results of resource estimates, the Company will plan preliminary economic assessment (PEA) and environmental baseline studies on the Property. Most of the surface rights in the area are held by private owners, therefore community consultation and access rights are an important and ongoing aspect of the project.

Map of the Lochaber Graphite Property:
http://www.GreatLakesGraphite.com/wp-content/uploads/2014/05/GLK-BKHM-Area-Map.pdf

For more information on the Lochaber Graphite Property, please visit:
http://www.greatlakesgraphite.com/properties/lochaber-graphite-property/

- On October 8, 2014, the Company announced that the existing Agreement between the Company and Eloro Resources Ltd. (“Eloro”; TSXV:ELO) with regard to the Summit-Gaber property located in the Baie James region of Québec has been amended.

  This amendment allows the Company to extend, by one year, the dates for work commitments and remaining payments under the terms of the original agreement and its first amendment. As consideration for the extensions granted by Eloro, the Company has agreed to issue an additional 200,000 common shares to Eloro, which received TSX Venture Exchange approval.

- On May 15, 2014, the Company entered into a strategic alliance with Valterra Resource Corporation (“Valterra”) with respect to the development, production and marketing of the graphite product from Valterra’s Bobcaygeon graphite property (the “Bobcaygeon Project”) in Ontario. The alliance has an initial term of three years during which the Company will provide consulting services to Valterra, utilizing its specialized personnel, to assist in the development of the project inclusive of assistance in raising development funds. In consideration of the agreement, the Company will receive consulting fees for the provision of its services and Valterra agrees to negotiate and conclude a first right of refusal agreement in favour of the Company to acquire the Bobcaygeon Project for a period of three years.

- On May 6, 2014, the Company provided an exploration update regarding a new zone of graphite mineralization on one of its Buckingham Area flake-graphite properties; a grab sample submitted for analysis returned 18.9% Cg. The Buckingham Area of southwestern Québec is located in a region of historical graphite mining and is in close proximity to Montréal, QC and Ottawa, ON.

  The Company’s geological contractor, Wolf Mountain Exploration Inc. was directed to carry out a field visit to collect samples from selected conductive zones that were identified by the Company’s airborne geophysical and Beep Mat surveys. This new zone of graphite mineralization was located on the Company’s Bell claim block; this group of claims is located in Lochaber Township immediately to the east of the past-producing Dickson (Québec Graphite) and Bell Mines.

  As a result of this successful program, the Company has been preparing a full geological program including channel sampling, detailed EM surveying to define specific targets for diamond drilling, Scanning Electron Microscopy (SEM) and assaying scheduled for the summer of 2014. The Company also plans to perform comprehensive metallurgical tests to determine particle size distribution and elemental analysis. These tests will be conducted at Process Research Ortech Inc. (PRO), located in Mississauga, ON.

Analysis for Cg was performed by Activation Laboratories Ltd. (Actlabs) of Ancaster, ON using a LECO furnace and infrared (IR) detector.

- On November 13, 2013, the Company announced that it has commenced a program of metallurgical testing on a composite of graphite samples originating from the Powerline Property, one of its four (4) graphite properties located in the Buckingham and Lochaber Townships area in southwestern Québec.

  The objective of processing these samples will be to develop a flowsheet to produce a commercially acceptable graphite concentrate containing greater than 95% graphitic carbon (Cg) while maximizing the overall recovery of graphite and minimizing flake degradation. Certain flake sizes are in high demand on a global level due declining to inventories and concentrates can command up to $US 2,200 per tonne.

  These tests, conducted by PRO (Process Research Ortech Inc.) in Mississauga, ON, will outline the quality of the crystalline flake sampled from the Corporation's property and investigate recoveries up to the 95% threshold. Assays and SEM work will be performed by Actlabs (Activation Laboratories Ltd.) in Ancaster, ON

- On November 7, 2013, the Company reported the results of a helicopter-borne geophysical survey over the Buckingham and Lochaber Township graphite properties in the Outaouais region of southwestern Québec.

  Discrete targets have been interpreted from the time-domain electromagnetic data. These targets conform to an idealized model for conductive (massive) graphite and are appropriate for field follow-up, initially via mapping, prospecting and trenching. A total of 53 targets were identified on the Diamond and Diamond West Blocks, 49 on the Bell Block and 14 on the Powerline Block. These targets lie coincident with the multi-km electromagnetic conductive trends previously identified, and are also coincident with linear trends in the magnetic and radiometric data; these linear trends could represent bedding and/or structural horizons that would facilitate the tracing of known and any new graphite occurrences along strike. All targets are located on topographically high ground with good access and favourable geology.

  Initial physical properties testing of graphite-bearing hand samples from the Powerline Block indicated these rocks to be moderately resistive and not particularly conductive. This infers that disseminated graphite, which also exists on the property, was not directly detected by the airborne electromagnetic methods employed in the original survey. Induced Polarization test surveys are recommended over portions of the Diamond, Bell and Powerline properties, to determine if this method is effective for mapping disseminated graphite occurrences, and if this technique can be used to extend known graphite occurrences along-strike following bedding or structural planes away from the identified EM anomalies.

- On November 4, 2013, the Company announced that the existing Agreement between Shield and Eloro Resources Ltd. ("Eloro"; TSXV:ELO) with regard to the Summit-Gaber property located in the Baie James region of Québec has been amended.

  This amendment allows the Company to extend, by one year, the dates for work commitments and remaining payments under the terms of the original agreement and its first amendment.

As consideration for the extensions granted by Eloro, the Company has agreed to issue an additional 100,000 common shares to Eloro, subject to TSX Venture Exchange approval.

- On October 22, 2013, the Company reported the results of a helicopter-borne geophysical survey over its Lochaber Township graphite properties in the Outaouais region of southwestern Québec. The survey included Magnetic, Spectrometric and Time-Domain Electromagnetic (TDEM) components; the survey specifications are identical to those that had been carried out previously over the Company's Buckingham graphite properties. The current work included more than 400 line-kilometers of flight lines at a nominal spacing of 75 m. Prospectair Geosurveys Inc. of Gatineau, Québec was contracted to carry out the survey. The final results of the airborne surveying noted several north-south conductors ranging from 100m to 2,300m in length, for a total of over 14km of conductive anomalies.

  The Company will be conducting a series of comprehensive metallurgical studies on bulk-sample material from its graphite properties to properly assess the size and purity levels of natural flake graphite present on those properties. An Ontario-based mineral services laboratory will be contracted to initiate the test program. The primary objective will be to develop a flow sheet based on a concentrate grading greater than 92% carbon while understanding flake size, grade and purity of the graphite within the concentrate. This testing will be extremely important as the results will assist Shield at such time that it can commission a Preliminary Economic Assessment (PEA) of the project as well as developing an understanding of the engineering design criteria for mineral recovery.

  The metallurgical studies will also include chemical characterization, mineralogy, flake grindability and flotation testing on the bulk sample. The Company hopes to have the results of these tests available by the 4th quarter of this year.

Financing and Corporate

- On January 19, 2015 the Company announced that its shares had been listed on the Frankfurt Stock Exchange and would trade under symbol "8GL".

- On November 11, 2014 the Company announced that it had closed on the first tranche of a non-brokered private placement. The Company issued 7,750,000 flow-through units at a price of $0.10 per unit for gross proceeds of $775,000.00. Each flow-through unit consists of one flow-through eligible common share and one share purchase warrant, with each warrant exercisable to purchase one additional common share at an exercise price of $0.12 for a period of two (2) years. Finder's fees totaling $62,000 were paid and 620,000 finder's warrants were issued as part of this financing. The private placement was subject to final approval by the TSX Venture Exchange (received).

- On October 22, 2014 the Company announced that it had been selected out of many candidates by a team of MBA students from the Schulich School of Business at York University to participate in a project to be conducted over the following two months. The project provides an opportunity for the Schulich team to provide consulting services in a real-world environment.

  The team consists of four MBA students with diverse educational and professional backgrounds who will serve as consultants to the Company to conduct a comprehensive strategic analysis and to provide recommendations focused on strategies for growing revenues, profit, or both.

- On September 16, 2014 the Company's shares were halted from trading by IIROC until clarifications were made to certain information disseminated in the public domain. A press release on September 17, 2014 was deemed by IIROC to provide suitable explanation and their trading halt was lifted.

- On August 28, 2014, the Company announced that the Board of Directors had appointed Mr. Brad Barnett as a new member of the Board.

  Mr. Barnett has been involved in the mineral exploration industry since 2007. Brad currently serves as the Corporate Secretary and Vice President of Corporate Finance & Development of Rock Tech Lithium Inc. Prior to joining Rock Tech, he spent three years with a company that managed and provided startup funding for junior mining companies listed on the TSX Venture Exchange. Mr. Barnett has extensive experience in the areas of regulatory filings, compliance and finance. Mr. Barnett holds a Master of Science in Corporate Finance from the University of Liverpool, a Bachelor of Business Administration (Honours) and a Diploma in Financial Management (Honours) from the British Columbia Institute of Technology.

  A total of 250,000 stock options were granted to Mr. Barnett with an exercise price of $0.12, expiring on August 27, 2019.

  At the same time Mr. Paul Ferguson, a director of the Company, was appointed as Chief Marketing Officer.

- On August 6, 2014, the Company announced granting of options to purchase up to 1,600,000 common shares of the Company at a price of $0.12 per share expiring on August 6, 2019. The options were granted to directors, officers and consultants to the Company in accordance with the Company's stock option plan and the requirements of the TSX Venture Exchange.

  In addition, the Company announced that it has issued 400,000 common shares at a deemed price of $0.10 per share to settle a total of $40,000 of debt with an arm's-length party to the Company. Securities issued as a part of this transaction are subject to a hold of four months plus one day. The Shares for Debt Settlement is subject to regulatory approval.

- On August 1, 2014, the Company completed a non-brokered private placement by issuing 4,595,000 units at a price of $0.085 per unit and 200,000 flow-through units at a price of $0.10 per unit for gross proceeds of $410,575.00. Each common unit consists of one common share and one share purchase warrant, with each warrant exercisable to purchase one additional common share at an exercise price of $0.11 for a period of two (2) years. Each flow-through unit consists of one flow-through common share and one flow-through share purchase warrant, with each warrant exercisable to purchase one addition common share at an exercise price of $0.15. Finder's fees totaling $30,942 were paid and 361,200 finder's warrants exercisable at $0.085 for a period of two (2) years were issued as part of this financing.

- On July 17, 2014 a wholly owned subsidiary of the Company, Great Lakes Innovations Inc., was incorporated.

- On July 11, 2014, the Company completed a non-brokered private placement by issuing 2,101,471 units at a price of $0.085 per unit for gross proceeds of $178,625.00. Each unit consists of one common share and one share purchase warrant, with each warrant exercisable to purchase one additional common share at an exercise price of $0.11 for a period of two (2) years. Finder's fees totaling $9,940.00 were paid and 116,941 finder's warrants exercisable at $0.085 for a period of two (2) years were issued as part of this financing.

- On July 8, 2014, the Company announced that it has retained First Canadian Capital Corp. as a consultant to provide strategic marketing and investor relations services to raise the Company's profile within the investment community. First Canadian will initiate and maintain ongoing dialogue with retail brokers, analysts, portfolio managers and media groups to positively enhance market awareness of the Company.

  In consideration for the foregoing services, the Company agreed to pay a monthly consulting fee of $6,000. Further 350,000 incentive stock options at an exercise price of $0.10 were agreed to be issued upon execution of the agreement. This agreement was terminated subsequent to the end of the period.

- On June 26, 2014, the Company completed a non-brokered private placement by issuing 4,943,530 units at a price of $0.085 per unit for gross proceeds of $420,200.00. Each unit consists of one common share and one share purchase warrant, with each warrant exercisable to purchase one additional common share at an exercise price of $0.11 for a period of two (2) years. Finder's fees totaling $7,276.00 were paid and 85,600 finder's warrants exercisable at $0.085 for a period of two (2) years were issued as part of this financing. The private placement is subject to final approval by the TSX Venture Exchange.

- On June 6, 2014, the Company entered into a consulting agreement with Darioush Capital Corp. ("Darioush") whereby Darioush will assist the Company to identify strategic partners and to assist in building a marketing and strategic development plan for growth and potential revenue producing opportunities. The term is guaranteed for a six month period and is renewable on a month to month basis thereafter.

  In consideration for the foregoing services, the Company agreed to paid a monthly consulting fee of $7,000; however, the Company has the right to settle the foregoing monthly consulting fees in common shares of the Company at a deemed value of $0.10. Further, 420,000 options exercisable at $0.05 were agreed to be issued upon execution of the agreement. In addition, in the event the Company completes an acquisition introduced by Darioush, a success fee would be payable in cash at the greater of i) 2% of the transaction consideration paid to the target or its shareholders or ii) $250,000.

  Subsequently, the above noted agreement was terminated and therefore a settlement amount of $42,000 became due pursuant to the terms of the agreement. The Company discharged the foregoing debt by issuing 420,000 common shares with a fair value of $37,800 at the date of the transaction. Accordingly, a gain of $4,200 was recognized on termination of the agreement.

- On May 27, 2014, the Company announced that the Board of Directors had appointed Ms. Laura Mottola as a new member of the Board.

  Ms. Mottola is President and CEO of Flow Partners Inc., a management consulting company that provides strategic oversight and tactical execution of technology and business improvement programs to leading global mining and engineering companies. In addition to being highly accomplished academically and professionally, for the last four years Ms. Mottola has acted as a trusted advisor to the leadership team of KGHM International and the Sierra Gorda joint-venture in Chile. Furthermore, Ms. Mottola has held a variety of leadership roles at professional organizations including the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) and served as a of Member of the Board of Directors of PRECARN Inc. (2006-2012), an independent Innovation not-for-profit corporation that supports the pre-commercial development of Canadian leading-edge technologies. Ms. Mottola received a

Bachelor of Engineering, Mining degree and a Master of Engineering, Mining Automation degree from McGill University.

- On March 26, 2014, the Company announced that Mr. Paul Hynek had joined the Company as the Director of Technical Operations.

  Mr. Hynek brings over 35 years of metallurgical and graphite research experience to the Great Lakes Team. While working for Inco Limited for more than three decades he was involved in the development of base metal extractive metallurgical processes, fundamental research on thermodynamic properties of various metal-sulfur systems and new product development.

  Subsequently, the Company was saddened to learn of the passing of Mr. Hynek on December 16, 2014.

- On March 12, 2014, the Company announced that it has engaged Investor Cubed Inc. to provide investor relations and shareholder communications services effective March 6, 2014. Investor Cubed will be focused on increasing investor awareness while introducing the Company to its network of investment advisors, investment dealers, institutions and other financial professionals.

- On March 10, 2014, the Company announced the receipt of an Initiating Report, issued by Fundamental Research Corp. The Research Report, dated March 7, 2014, can be found on the Company's website, www.greatlakesgraphite.com, and is also available by contacting Fundamental Research.

- On February 5, 2014, the Company announced that the Board of Directors has approved the change of the operating name of the Company from Shield Gold Inc. to Great Lakes Graphite Inc., subject to regulatory and shareholder approvals. I connection with the proposed name change, effective immediately, the Company will begin operating under the trade name "Great Lakes Graphite". The Company has also adopted a new identity and redesigned website at www.greatlakesgraphite.com.

- In January 2014, the TSXV consented to the extension of the expiry of 475,000 warrants exercisable at $0.12 and 750,000 warrants exercisable at $0.15 from January 23, 2014 to January 23, 2015.

- On January 16, 2014, 75,000 common shares with a deemed value of $0.08 per share were issued on settlement of debt in the aggregate amount of $6,000.

- On January 13, 2014, the Company completed a private placement and issued 3,758,833 flow-through units at a price of $0.12 per unit for gross proceeds of $451,059.96, and 250,000 units at a price of $0.10 per unit for gross proceeds of $25,000. Each flow-through unit is composed of one common share of the Company and a common share purchase warrant, each unit is composed of one common share of the Company and one common share purchase warrant. Each flow-through common share purchase warrant will entitle the holder to acquire one additional common share at an exercise price of $0.20 per share for a period of 24 months from the date of issuance. Each common share purchase warrant will entitle the holder to acquire one additional common share at an exercise price of $0.18 per share for a period of 24 months from the date of issuance.

- On November 13, 2013, the Company engaged Fundamental Research Corp. for the purposes of preparing research reports on the Company. In consideration for the reports, the Company agreed to make cash payments totaling $25,000 over a 10 month period. The initial retainer amounted to $7,875 (paid), which was due on singing of the agreement and 10 monthly payments of $1,837 each thereafter.

- Also in November 2013, Mr. John Siriunas resigned as a director of the Company, and was appointed Secretary in January 2014, replacing Mr. Paul K. Ferguson, who remained as a director.

- In July 2013, the Company welcomed Mr. Greg Murphy to its Board of Directors. Mr. Murphy joined the Company to take over from Larry Harrison, who resigned his director's position to pursue other interests.

  Mr. Murphy received his Bachelor of Arts degree in Economics from the University of Western Ontario in 1983. He has over 27 years of international investment industry experience in Toronto, London and New York. He is currently CEO of the Lakeshore Capital group of companies and advises Lionhart Investments in relation to their natural resources investment portfolio. Greg is a Director of Aurigin Resources, Benzu Gold and Benzu Resources. Previously held positions include: former head of equity derivatives at Midland Walwyn/Merrill Lynch Canada; First Marathon and Gordon Capital.

- In July 2013, the Company completed private placements and issued 4,800,000 flow-through units at a price of $0.05 per unit for gross proceeds of $240,000. Each unit is composed of one flow-through common share of the Company and one-half of one common share purchase warrant. Each full common share purchase warrant will entitle the holder to acquire one additional common share at an exercise price of $0.10 per share for a period of 18 months from the date of issuance.

- On June 21, 2013, 329,583 common shares with a deemed value of $0.06 per share were issued on settlement of debt in the aggregate amount of $19,775.

- On June 18, 2013, the Company reported that Mr. Paul A. Gorman has joined the Company as Chief Executive Officer and as a Director.

  Mr Gorman is a corporate specialist with over 15 years of experience in junior mining finance, taking companies public and operating growth-emerging public companies. For the last 12 years, Paul has been the President and Managing Partner of Riverbank Capital Inc., a Merchant Bank working with small-cap companies to assist them in financing, property exploration and developing well-defined marketing programs. Paul's responsibilities have also included raising capital totaling in excess of $155 million as well as promoting the companies to the investment community and writing strategic plans for business growth. Paul is a director of several private and public companies, holding senior management positions with Canadian and US based organizations providing expertise in the areas of capital raising, corporate governance and strategic initiatives.

  Mr. Gorman replaces Dr. Howard Sinclair-Jones, P.Eng. who has resigned his executive posts and as a Director but remains as a Consultant to the Company. The Company thanks Dr. Sinclair-Jones for his tireless work in an executive capacity.

- During the year ended October 31, 2013, the TSXV consented to the extension of the expiry of 1,460,000 warrants exercisable at $0.15 from May 3, 2013 to May 3, 2014.

- During the year ended October 31, 2013, 2,098,000 warrants with a weighed average exercise price of $0.15 expired without exercise.

- In December 2012, the Company completed a non-brokered flow-through private placement $0.15 for total proceeds of $100,000. The placement consisted of 1,000,000 flow-through units at a price of $0.10.

- On November 19, 2012, 175,000 common shares were issued to a consultant of the Company for settlement of debt in the aggregate amount of $10,000 at a deemed price of $0.057 per share.

EXPLORATION PROPERTIES AND JOINT VENTURE AGREEMENTS

Buckingham Property

The Company has an option to earn a 100% interest in thirty-one (31) unpatented mining claims covering a total of 1,552.73 ha in two separate properties or claim blocks (identified as "Diamond" and "Diamond West") near Ottawa in Buckingham Township in the Outaouais area of western Québec.

These claims are prospective for graphite mineralization. The region offers excellent access and infrastructure. The properties are located within the quartzite domain of the Central Metasedimentary Belt of the Grenville Structural Province of the Canadian Shield. Aluminosilicate gneiss and porphyroblastic marble lithologies within this domain are the main hosts to (flake) graphite mineralization. Past producing graphite mines in the area date back to the late 19th Century and early 20th Century. Of particular importance is the proximity of the former Diamond or Peerless Mine to the area of the properties.

Mapping of the property areas has been carried out by federal and provincial government agencies. No significant exploration work is known to have been carried out over the properties in almost 100 years.

The Company initiated its exploration work with a heliborne geophysical survey that included magnetic, spectrometric and time-domain electromagnetic components. The results of this surveying have provided valuable geological mapping information (from magnetics) and electromagnetic and spectrometric anomalies worthy of follow-up. Recommendations for this follow-up program are made and a budget of approximately $250,000 is projected for this work.

On May 14, 2012, the Company entered into an agreement to acquire a 100% interest in 22 mining claims in Buckingham Township in south-western Quebec. The 100% earn-in requires the Company to make the following payments and issue the following number of common shares and incur exploration expenditures, as follows:

Due Date	Cash Payment	Shares	Exploration Expenditures
On or before May 14, 2012	$ 7,000 (fulfilled)	-	$ -
On closing, July 3, 2012	15,000 (fulfilled)	400,000 (fulfilled)	-
July 3, 2013	25,000 (fulfilled)	400,000 (fulfilled)	40,000 (fulfilled)
July 3, 2014	45,000	400,000	75,000 (fulfilled)
July 3, 2015	50,000	400,000	120,000
	$ 142,000	1,600,000	$ 235,000

The property vendor will retain a 2% NSR, 1% of which may be purchased by the Company for $1,000,000. On September 4, 2012, the Company entered into an agreement to acquire a 100% interest in 16 additional claims at the Buckingham Property located in Buckingham Township in south-western Quebec.

The 100% earn-in requires the Company to make the following payments and issue the following number of common shares of the Company to the property vendors:

Due Date	Cash Payment	Shares	Exploration Expenditures
On or before September 4, 2012	$ 3,000 (fulfilled)	-	$ -
On closing, September 11, 2012	-	200,000 (fulfilled)	-
September 11, 2013	6,000 (fulfilled)	100,000 (fulfilled)	18,000 (fulfilled)
September 11, 2014	8,000	100,000	24,000 (fulfilled)
September 11, 2015	10,000	100,000	30,000 (fulfilled)
	$ 27,000	500,000	$ 72,000

In July 2014, the Company decided not to continue exploration and terminated the option agreements relevant to the Buckingham property and therefore the capitalized costs of $389,360 were written-off to the statement of comprehensive loss during the period.

Lochaber Property

On September 11, 2012, the Company entered into an agreement to acquire a 100% interest in two properties representing 30 mining claims in Lochaber Township in southwestern Quebec. The 100% earn-in requires the Company to make cash option payments, issue common shares and incur exploration expenditures, as follows:

Due Date	Cash Payment	Shares	Exploration Expenditures
On or before September 11, 2012	$ 7,000 (fulfilled)	-	$ -
On closing, September 11, 2012	-	630,000 (fulfilled)	-
September 11, 2013	27,000 (fulfilled)	430,000 (fulfilled)	60,000 (fulfilled)
September 11, 2014	43,000	430,000	150,000 (fulfilled)
September 11, 2015	67,000	430,000	270,000
	$ 144,000	1,920,000	$ 480,000

The vendor retains a 2% net smelter royalty, 1% of which may be purchased by the Company for $1,000,000.

In September 2014, the Company decided not to continue exploration and terminated the option agreements relevant to the Lochaber property and therefore the capitalized costs of $706,084 were written-off to the statement of comprehensive loss during the period.

Lochaber Graphite Property

On March 3, 2014, the Company executed a definitive purchase agreement with Rock Tech Lithium Inc. (“Rock Tech”; TSXV:RCK) to acquire the Lochaber graphite deposit (the “Lochaber Graphite Property”), located in the prolific Buckingham Graphite region in Outaouais/ Gatineau, Québec.

The Lochaber Graphite Property was comprised of 151 mineral claims, in four contiguous blocks, covering 9,062 hectares in Buckingham and Lochaber Townships. Two of the Rock Tech claim blocks are contiguous with the Company’s existing claims in the area, namely those in the Diamond and the Bell claim blocks.

The purchase agreement between the companies provides for the Company to pay Rock Tech a total of $300,000 in cash and issue a total of 15,000,000 common shares of the Company to Rock Tech or to whom it may direct at an agreed price per share of $0.09. Accordingly, the aggregate transaction value amounts to $1,650,000.

The foregoing payments are to be made as follows: $100,000 (paid) and 5,000,000 (issued) common shares upon execution of the agreement, a further $200,000 (paid) and 5,000,000 (issued) common shares upon the completion of an NI 43-101-compliant report by July 1, 2014 (as per the first amendment to the Purchase Agreement), and a final payment of 5,000,000 common shares upon commissioning the earlier of a Preliminary Economic Assessment, Pre-Feasibilty or Feasibility Study on the Lochaber Graphite Deposit on or before January 30, 2015 (as per the second amendment to the Purchase Agreement).

A success fee of $10,000 cash and 400,000 common shares with a fair value of $34,000 were paid and issued pursuant to the Rock Tech property acquisition.

Rock Tech appointed one nominee to the Board of Directors of the Company as per the terms of the Purchase Agreement.

On January 15, 2015 the Company announced that it had exercised its option on the Lochaber Graphite Property by completing the final share issuance to Rock Tech pursuant to the Purchase Agreement and its amendments. Registration of a 100% interest in the outstanding claims in the name of Great Lakes Graphite Inc. was completed on January 26, 2015.

Summit-Gaber Property

On September 29, 2010, the Company entered into a three year strategic Option and Joint Venture Agreement with Eloro Resources Ltd. to acquire an initial 50% interest in the Summit-Gaber Property, in consideration of $80,000 in cash, the issuance of 600,000 common shares and completed exploration work over a three year period aggregating $1,500,000. This transaction constituted the Company’s Qualifying Transaction in accordance with the policies of the TSXV.

The Summit-Gaber Property is located in the La Grande Greenstone belt, north-western Quebec.

During 2012, the Company negotiated a one year extension with respect to the Summit-Gaber Property commitments.

During the year ended October 31, 2012, the Company made cash payments of $30,000 and fulfilled its remaining cash commitments with respect to the Summit-Gaber Property.

As of October 31, 2014, approximately, $597,147 of the required $1,500,000 exploration work commitments has been fulfilled with respect to the Option and Joint Venture Agreement.

During the year ended October 31, 2012, recoveries of mineral property costs with respect to the Summit-Gaber Property amounted to $254,293, in aggregate. These recoveries primarily relate to the refundable mineral exploration tax credits as a result of the Company incurring mineral exploration expenses in Québec.

In addition, during the year ended October 31, 2012, the Company examined its exploration data and determined that certain of the La Grande Nord expenditures amounting to $22,211 were allocated to Summit-Gaber. A reclassification of these costs was made accordingly.

Upon satisfaction of the above mentioned commitments, the Company will have exercised the option and acquired an undivided 50% interest in the Summit-Gaber Property. Once the option has been exercised, the Company and Eloro Resources Ltd. intend on forming a joint venture for the purposes of further exploration and development of the Summit-Gaber Property.

The property is subject to a 1% net smelter royalty.

During 2011, the Company proceeded with the work program recommended under the NI 43-101 technical report filed by the Company.

The Company's 2011 exploration program was designed to follow the reconnaissance B-horizon geochemical survey conducted in 2010, during which priority geochemical soil anomalies were identified as targets for further exploration. The February 2011 report *"B-horizon Pedogeochemical Survey, Summit- Gaber Project, James Bay, Québec"*, by Dr. Rémi Charbonneau of Inlandsis Consultants, is available on the Company website: http://www.shieldgold.com/uploads/Summit-Gaber-Bhorizon.pdf .

Key elements of the 2011 exploration program include:

- 50 km of line-cutting, to refresh old grid lines and cut new lines
- Field investigation of 18 priority geochemical anomalies identified in 2010
- Mechanical stripping, detailed mapping and channel sampling of the areas covered by the Cartouche and Summit 4 showings
- Ground geophysical surveys over selected areas, including magnetometer (Mag), electro-magnetic (EM) and induced polarization (IP).
-

Results from exploration work are contained in press releases found on SEDAR at www.sedar.com as well as on the Company's website at www.greatlakesgraphite.com.

During 2013, the Company negotiated an extension of certain of its property commitments. In consideration for the extension, the Company issued an additional 100,000 common shares with a fair value of $14,500. These shares were presented as shares to be issued in the statement of financial position as of October 31, 2013 and subsequent issued during the year ended October 31, 2014. The Company intends on negotiating an extensions with respect to the foregoing option agreement.

La Grande Nord Property

On September 10, 2010, the Company entered into a five year strategic Option and Joint Venture Agreement with Virginia Mines Inc. to earn a 50% interest in certain mineral claims referred to as the La Grande Nord Property located in the La Grande Greenstone Belt, Quebec.

To acquire a 50% interest in the Property, the Company must make payments totaling $30,000 in cash or shares at the discretion of the Company ($10,000 paid as of October 31, 2010) and perform scheduled work programs totaling $1,000,000 over a five year period.

On November 4, 2013, the Company announced an amendment to the existing agreement between the Company and Eloro Resources Ltd., extending, by one year, the dates for work commitments and remaining payments under the terms of the original agreement and the first amendment.

During 2012, the Company negotiated a one year extension with respect to the Summit-Gaber Property commitments.

As of October 31, 2014, the Company had incurred exploration expenditures of approximately $88,305 of the required work expenditures of $1,000,000.

Upon satisfaction of the above mentioned commitments, the Company will have exercised the option and acquired an undivided 50% interest in the La Grande Nord Property. Once the option has been exercised, the Company and Virginia Mines Inc. intend on forming a joint venture for the purposes of further exploration and development of the La Grande Nord Property.

The property is subject to a 1.5% net smelter royalty.

During the year ended October 31, 2013, the Company decided that due to its focus shift to graphite and the lack of funds to continue to explore all of its mineral interests, it was unlikely that future exploration would occur on the La Grande Nord Property in the foreseeable future, therefore, the capitalized costs were written-off accordingly.

SELECTED ANNUAL INFORMATION

The financial information disclosed below has been prepared in accordance with IFRS for the years ended October 31, 2014 and 2013 and is reported in Canadian dollars.

The following tables set forth selected financial data from the Company's annual financial results and should be read in conjunction with applicable annual financial statements.

	Years-ended	
	(audited) October 31, 2014 ($)	(audited) October 31, 2013 ($)
Interest income	-	1,165
Working capital (deficiency)	252,698	65,988
Net loss and comprehensive loss	1,733,024	676,288
Loss per share	0.037	0.024
Mineral properties	1,161,350	943,258
Cash and restricted cash	32,755	160,914
Total assets	1,566,885	1,160,816

RESULTS OF OPERATIONS

As the Company is in the exploration phase and its properties are in the early stages of exploration, none of the Company's properties are in production. Therefore, the Company's net loss is not a meaningful indicator of its performance or potential.

The key performance driver for the Company is the acquisition and development of prospective mineral properties. By acquiring and exploring projects of superior technical merit, the Company increases its chances of finding and developing an economic deposit.

At this time, the Company is not anticipating profit from operations. Until such time as the Company is able to realize profits from the production and marketing of commodities from its mineral interest, the Company will report an annual deficit and will rely on its ability to obtain equity or debt financing to fund on-going operations.

Additional financing is required for both current and new exploration initiatives. Due to the inherent nature of the junior mineral exploration industry, the Company will have a continuous need to secure additional funds through the issuance of equity or debt in order to support its corporate and exploration activities, as well as its share of obligations relating to mineral properties.

Exploration Operations

Three months ended January 31, 2015

	Balance, beginning of period	Acquisition	Exploration	Recoveries of tax credits and credit on duties	Impairment	Balance, End of period
Quebec						
Summit-Gaber	$ 487,354	$ -	$ -	$ -	$ -	$ 487,354
Buckingham	-	-	-	-	-	-
Lochaber	673,996	750,000	373,193	-	-	1,797,189
	$ 1,161,350	$ 750,000	$ 373,193	$ -	$ -	$ 2,284,543

Year ended October 31, 2014

	Balance, beginning of year	Acquisition	Exploration	Recoveries of tax credits and credit on duties	Impairment	Balance, end of year
Quebec						
Summit-Gaber	$ 469,354	$ 18,000	$ -	$ -	$ -	$ 487,354
Buckingham	277,242	2,000	78,417	-	(357,653)	-
Lochaber	196,662	536,000	402,355	(112,590)	(348,431)	637,996
	$ 943,258	$ 556,000	$ 480,766	$ (112,590)	($ 706,084)	$ 1,125,350

Three months ended January 31, 2015

The net loss and comprehensive loss for the three months ended January 31, 2015 amounted to $332,074 or $0.005 loss per share as compared to the net loss and comprehensive loss for the three months ended January 31, 2014 of $76,079 or $0.002 loss per share.

Operating expenses for the three months ended January 31, 2015 aggregated $332,474 (three months ended January 31, 2014 – $108,780) an increase of $223,694. The increase in operating expenses was primarily as a result of the following significant operating expenditures:

- Management and consulting fees of $216,834 for the three months ended January 31, 2015 (three months ended January 31, 2014 - $62,200). The Company acquired considerable intellectual capital through the period in an effort to obtain specialized knowledge in the industrial mineral industry to enhance the value of its current projects by providing the Company with the expertise to advance their development. The increased costs through the period also relates to the general increased level of activity relevant to fund raising initiatives and seeking out opportunities of merit.

- Corporate development and administrative expenses of $24,732 for the three months ended January 31, 2015 (three months ended January 31, 2014 - $26,416). The decrease relates to the general decrease in business development incurred to grow and fulfill its mandate of becoming a market leader in the industrial minerals marketplace.

- Impairment write-downs of exploration and evaluation assets of $nil for the three months ended January 31, 2015 as compared to the year ended October 31, 2014 of $706,084. The previous impairment was a result of the Company's decision to not proceed with the option for the claims located in the Buckingham and Lochaber Townships.

Acquisition Costs

Acquisition costs incurred by the Company with respect to its mineral properties are capitalized. Acquisition costs of $750,000 were incurred during the three months ended January 31, 2015 (three months ended January 31, 2014 - $11,000). The acquisition costs to January 31, 2015 are in regard to the Purchase Agreement for the Lochaber Graphite Property.

Exploration Expenditures

Exploration costs incurred by the Company's are capitalized. Exploration expenditures for the three months ended January 31, 2015 totaled $373,193 (three months ended January 31, 2014 - $120,102). Accumulated exploration costs incurred to January 31, 2015 consist of expenditures with respect to geologists, diamond drilling, other test work and the compilation of data for the preparation of a National Instrument 43-101-compliant technical report with respect to the Company's Lochaber Graphite Property.

Results from exploration work are contained in press releases found on SEDAR at www.sedar.com as well as on the Company's website at www.greatlakesgraphite.com.

SUMMARY OF QUARTERLY RESULTS

Quarterly Financial Information (unaudited)

		2015 Q1		2014 Q4		2014 Q3		2014 Q2
Interest Income	$	-	$	-	$	-	$	-
Net loss	$	332,474	$	865,242	$	593,478	$	198,225
Net loss per share (basic)	$	0.005	$	0.018	$	0.014	$	0.005
		2014 Q1		**2013 Q4**		**2013 Q3**		**2013 Q2**
Interest Income	$	-	$	1,165	$	-	$	-
Net loss (income)	$	76,079	$	287,814	$	189,271	$	148,572
Net loss per share (basic)	$	0.002	$	0.010	$	0.007	$	0.006

The Company is a junior exploration company with no revenue generating properties. Currently the Company's funding continues to be derived from issuing securities and its short-term investments.

For further quarterly financial information, please refer to the Company's unaudited interim financial statements and management's discussion and analysis that have been filed on SEDAR at www.sedar.com.

Significant Accounting Policies

A detailed summary of all of the Company's significant accounting policies is included in Note 3 to the audited financial statements the year ended October 31, 2014. Please refer to these financial statements on SEDAR.

Adoption of new and amended IFRS pronouncements

The adoption of the following new and amended IFRS pronouncements will result in enhanced financial statement disclosure in the Company's interim or annual financial statements or a change in financial statement presentation. These pronouncements did not affect financial results of the Company.

Standards, interpretations and amendments effective for annual periods beginning on or after January 1, 2013

IAS 1 – Presentation of Items of Other Comprehensive Income – Amendments to IAS 1

The amendment requires that items of other comprehensive income must be grouped together into two sections:

- Those that will or may be reclassified into profit or loss
- Those that will not

The Company has adopted the amendment in the presentation of its statement of operations and comprehensive loss. There was no impact on the Company's financial statements resulting from the foregoing change.

IFRS 10, Consolidation ("IFRS 10")

The Company adopted IFRS 10, Consolidated Financial Statements ("IFRS 10") on February 1, 2013 with retrospective application. IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. IFRS 10 replaces SIC-12 Consolidation—Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements.

IFRS 10 did not have an effect on the Company's financial statements for the current period or prior periods presented as the Company currently does not have any subsidiaries or special purpose entities.

IFRS 11, Joint Arrangements ("IFRS 11")

The Company adopted IFRS 11, Joint Arrangements ("IFRS 11") on February 1, 2013, with retrospective application from the date of its earliest period presented. IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation.

IFRS 11 supersedes IAS 31, Interests in Joint Ventures, and SIC-13, Jointly Controlled Entities—Non-monetary Contributions by Venturers.

IFRS 11 did not have an effect on the Company's financial statements for the current or prior periods presented as the Company currently does not have any joint arrangements.

IFRS 12, Disclosure of Interests in Other Entities ("IFRS 12")

The Company adopted IFRS 12, Disclosures of Interests in Other Entities ("IFRS 12") on February 1, 2013. IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

IFRS 12 did not have an effect on the Company's financial statements for the current period or prior periods presented as the Company currently does not have any interests in other entities.

IFRS 13, Fair Value Measurement ("IFRS 13")

The Company adopted IFRS 13, Fair Value Measurement ("IFRS 13") with prospective application from February 1, 2013. IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement.

The adoption of IFRS 13 did not have an effect on the Company's financial statements for the current period. The disclosure requirements of IFRS 13 will be incorporated in the Company's annual financial statements for the year ended October 31, 2013. This will include discourses about fair values of financial assets and liabilities measured on a recurring basis and non-financial assets and liabilities measured on a non-recurring basis.

Standards, interpretations and amendments effective for annual periods beginning on or after January 1, 2014

IAS 36 – Impairment of Assets

In May 2013, the IASB issued limited scope amendments to IAS 36 applicable on a retrospective basis.

The effect of these amendments is as follows:

- Require disclosure of the recoverable amount of an asset or cash generating unit ("CGU") when an impairment loss has been recognized or reversed

- Require detailed disclosure of how the fair value less cost to dispose has been measured when an impairment loss has been recognized or reversed, including the level of the fair value hierarchy for which the fair value measurement is categorized

The Company does not expect any significant impact on its financial statements from the adoption of these amendments.

Standard effective for annual periods beginning on or after January 1, 2015, with earlier adoption permitted

IFRS 9 - Financial Instruments

The standard replaces *IAS 39 Financial Instruments: Recognition and Measurement*. In July 2013, the IASB deferred a mandatory effective date for IFRS 9 pending the finalization of requirements on impairment, classification and measurement.

Under the standard, a financial asset will be classified on the basis of the Company's business model for managing the financial asset and the related contractual cash flow characteristics. This asset will be initially measured at fair value and subsequently measured at amortized cost or fair value. Gains and losses on investments in the instruments that are not held for trading may be presented in other comprehensive income if so elected at initial recognition.

With the new standard, entities with financial liabilities designated at FVTPL recognize changes in the fair value due to changes in the liability's credit risk directly in other comprehensive income (OCI). There is no subsequent recycling of the amounts in OCI to profit or loss, but accumulated gains or losses may be transferred within equity. However, if presenting the change in fair value attributable to the credit risk of the liability in OCI would create an accounting mismatch in profit or loss, all fair value movements are recognized in profit or loss.

The Company is in the process of assessing the impact of the above mentioned standards.

LIQUIDITY AND CAPITAL RESOURCES

As of January 31, 2015, the Company had $40,704 in restricted cash compared to $32,755 as of October 31, 2014. This increase is directly related to funds raised during the period net of funds expended as part of administering the Company's current exploration program and paying for corporate administration. The cash is classified as restricted as the Company is committed to spend $727,473 (October 31, 2014 - $344,383), being the remaining proceeds of flow-through share issuances from private placements.

The Company had working capital surplus of $41,075 as of January 31, 2015 as compared to a working capital surplus of $252,648 as of October 31, 2014.

The Company has no significant revenues and no expectation of significant revenues in the near term. In order to manage this risk the Company monitors its cash requirements and expenditures to maintain sufficient liquidity.

Liabilities at January 31, 2015 consist of short-term trade payables, QST payable and various accrued liabilities of $286,160 (October 31, 2014 - $152,887).

The Company will need to raise additional financing in the near term to continue to finance operations and pay for ongoing administration of the Company. Alternative sources of capital include but are not limited to funding from capital markets and/or other industry partners. There can be no assurances that this capital will be available in amounts or on terms acceptable to the Company, or at all.

LIQUIDITY OUTLOOK

While the financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations and realize its assets and discharge its liabilities in the normal course of business for the foreseeable future, there are events and conditions that cast significant doubt on the validity of that assumption. The Company has incurred losses since inception and has an accumulated deficit of $3,848,105 at January 31, 2015 (October 31, 2014 - $3,506,725). The Company will need to raise sufficient funds in order to finance ongoing exploration and administrative expenses. The Company has no assurance that such financing will be available or be available on favorable terms. Factors that could affect the availability of financing include the Company's performance (as measured by numerous factors including the progress and results of its various projects), the state of international debt and equity markets, investor perceptions and expectations and the global financial and metals markets. If successful, the Company would obtain additional financing through, but not limited to, the issuance of additional equity.

The financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

Cash Generating Potential

In order to finance future operations, the Company will pursue the following alternatives:

- Raise additional financing; and
- Enter into joint ventures with other parties in order to continue its planned exploration activities.

Cash Utilization Requirements

The Company has the following requirements:

- Cash is needed to fund both its exploration activities and its administrative activities. This amount varies depending on the amount of capital raised; and
- The Company has both cash commitments and property expenditure commitments. However, as these mineral properties are under option only, the Company is not obligated to meet these commitments.

SHAREHOLDERS' EQUITY

There was an increase of $920,526 in shareholders' equity in the three months ended January 31, 2015 to $2,325,618 from $1,405,092 as of October 31, 2014. The increase resulted from the net proceeds received on the issuance of common shares through private placements aggregating $775,000 through the three months ended January 31, 2015.

Shares issued for settlement of debt

In June 2014, the Company issued 420,000 common shares at a deemed price of $0.10 per unit for the settlement of debt in the amount of $42,000. The fair value of the Company's shares at the time of the transaction amounted to $37,800 resulting in a gain on settlement of debt of $4,200.

In July 2013, the Company issued 1,315,667 common shares at a deemed price of $0.06 per unit for the settlement of debt in the amount of $78,940.

On June 27, 2013, the Company issued 329,583 common shares for the settlement of debt in the amount of $19,775. The fair value of the Company's shares at the time of the transaction amounted to $23,071 resulting in a loss on settlement of debt of $3,296.

In November 2012, the Company issued 175,000 common shares at a deemed price of $0.057 per unit for the settlement of debt in the amount of $10,000.

Shares issued in private placements

On November 11, 2014 the Company announced that it had closed on the first tranche of a non-brokered private placement. The Company issued 7,750,000 flow-through units at a price of $0.10 per unit for gross proceeds of $775,000.00. Each flow-through unit consists of one flow-through eligible common share and one share purchase warrant, with each warrant exercisable to purchase one additional common share at an exercise price of $0.12 for a period of two (2) years. Finder's fees totaling $62,000 were paid and 620,000 finder's warrants were issued as part of this financing. A work fee of $10,000 was also paid in regard to this financing.

In August 2014, the Company completed a non-brokered private placement and issued 4,595,000 hard units at a price of $0.085 per unit, and 200,000 flow-through units at a price of $0.10 per unit for gross proceeds of $410,575. Each common unit consists of one common share and one common share purchase warrant. Each warrant is exercisable into one additional common share at an exercise price of $0.11 for a period of two years. Each flow-through unit consists of one flow-through common share and one common share purchase warrant. Each warrant is exercisable into one additional common share at an exercise price of $0.15 for a period of two years.

In connection with the financing, Finders' fees of $30,942 were paid and 361,200 finders' warrants exercisable at $0.085 for a period of two years were issued.

In June and July 2014, the Company completed a non-brokered private placement and issued 7,045,001 units at a price of $0.085 per unit for gross proceeds of $598,825. Each unit consists of one common share and one common share purchase warrant. Each warrant is exercisable into one additional common share at an exercise price of $0.11 for a period of two years.

In connection with the financing, Finders' fees of $17,216 were paid and 202,541 finders' warrants exercisable at $0.085 for a period of two years were issued. In addition, a work fee of $4,800 was also charged relevant to the foregoing placements.

In December 2013, the Company completed a private placement and issued 3,758,333 flow-through units at a price of $0.12 per unit for gross proceeds of $450,600. Each unit is composed of one flow-through common share of the Company and one-half of one common share purchase warrant. Each full common share purchase warrant will entitle the holder to acquire one additional common share at an exercise price of $0.20 per share for a period of 24 months from the date of issuance. Additionally, the Company also issued 250,000 units at a price of $0.10 per unit for gross proceeds of $25,000. Each unit is composed of one common share of the Company and one common share purchase warrant. Each common share purchase warrant will entitle the holder to acquire one additional common share at an exercise price of $0.18 per share for a period of 24 months from the date of issuance.

On July 29, 2013, the Company completed a private placement and issued 2,290,000 units at a price of $0.05 per unit for gross proceeds of $114,500. Each unit is composed of one common share of the Company and one common share purchase warrant. Each full common share purchase warrant will entitle the holder to acquire one additional common share at an exercise price of $0.10 per share for a period of 18 months from the date of issuance.

In July 2013, the Company completed private placements and issued 4,800,000 flow-through units at a price of $0.05 per unit for gross proceeds of $240,000. Each unit is composed of one flow-through common share of the Company and one-half of one common share purchase warrant. Each full common share purchase warrant will entitle the holder to acquire one additional common share at an exercise price of $0.10 per share for a period of 18 months from the date of issuance.

In December 2012, the Company completed private placements and issued 1,000,000 flow-through units at a price of $0.10 per unit for gross proceeds of $100,000. Each unit is composed of one flow-through common share of the Company and one-half of one common share purchase warrant. Each full common share purchase warrant will entitle the holder to acquire one additional common share at an exercise price of $0.15 per share for a period of 18 months from the date of issuance.

Shares issued for exploration and evaluation assets-

During the three months ended January 31, 2015, the Company issued 10,000,001 common shares with a fair value of $550,000 relevant to the acquisition of the Rock Tech property (the Lochaber Graphite Property).

Shares issued on exercise of finder's warrants-

During the three months ended January 31, 2015, the Company issued nil common shares on the exercise of finder's warrants.

Shares issued for consulting fees and shares issued or units to be issued-

During the three months ended January 31, 2015, 7,676,200 warrants with a weighed average exercise price of $0.10 expired without exercise.

The Company had 78,714,820 (October 31, 2014 – 60,964,819) common shares outstanding as at January 31, 2015.

Warrants-

A summary of the status of the warrants as of October 31, 2014 and October 31, 2013 and changes during the periods are presented below:

	January 31, 2015		January 31, 2014	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Balance, beginning of the period	24,440,942	$ 0.12	10,284,200	$ 0.11
Issued pursuant to private placements	7,750,000	0.12	4,008,333	0.20
Finders' warrants issued	620,000	0.10	304,667	0.12
Warrants issued on exercise of finders warrants	-	-	48,000	0.10
Exercised	-	-	-	-
Finders warrants exercised	-	-	(48,000)	0.05
Issued for investor relations services and cash	-	-	-	-
Expired	(7,676,200)	0.15	-	-
Balance, end of the period	25,134,742	$ 0.13	14,597,200	$ 0.14

As of January 31, 2015, the following share purchase warrants were outstanding and exercisable:

Expiry Date	Number of Warrants	Weighted average exercise price
December 24, 2015	250,000	$ 0.18
December 24, 2015	3,758,333	$ 0.20
December 24, 2015 (i)	20,000	$ 0.12

December 24, 2015 (i)	284,667	$ 0.12
June 10, 2015	48,000	$ 0.10
June 30, 2016	198,541	$ 0.085
July 15, 2016	4,000	$ 0.085
June 30, 2016	4,943,530	$ 0.11
July 15, 2016	2,101,471	$ 0.11
August 5, 2016	361,200	$ 0.085
August 5, 2016	280,000	$ 0.11
August 5, 2016	4,315,000	$ 0.11
August 5, 2016	200,000	$ 0.15
November 7, 2016	7,750,000	$ 0.12
November 7, 2016 (ii)	620,000	$ 0.10
	25,134,742	

(i) In connection with private placements during the year ended October 31, 2014, the Company issued 20,000 finders warrants. Each finder's warrant is exercisable for 24 months into one unit at an exercise price of $0.12 per unit. Each unit consists of one common share and one common share purchase warrant entitling the holder to purchase one common share at a price of $0.20 for a period of 24 months.

In connection with flow-through private placements during the year ended October 31, 2014, the Company issued 284,667 finders warrants. Each finder's warrant is exercisable for 24 months into one unit at an exercise price of $0.12 per unit. Each unit consists of one common share and one common share purchase warrant entitling the holder to purchase one common share at a price of $0.20 for a period of 24 months.

(ii) In connection with private placement during the three months ended January 31, 2015, the Company issued 620,000 finders warrants. Each finder's warrant is exercisable for 24 months into one common share at an exercise price of $0.10 per share.

Options-

The following summarizes the stock options that have been granted, exercised, forfeited or cancelled during the year ended October 31, 2014 and 2013:

	January 31, 2015		January 31, 2014	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance, beginning of the period	4,534,094	$ 0.11	3,211,633	$ 0.10
Granted	-	-	-	0.10
Exercised	-	-	-	-
Expired	-	-	(370,356)	-
Balance, end of the period	4,534,094	$ 0.11	2,841,277	$ 0.10

The following table summarizes the options outstanding and exercisable at October 31, 2014:

Number of Options	Exercise Price	Expiry Date
200,000	$012	August 27, 2019
1,600,000	$0.12	August 6, 2019
634,094	$0.10	May 22, 2017
250,000	$0.10	May 16, 2019
1,550,000	$0.10	September 3, 2016
300,000	$0.10	September 18, 2016
4,534,094		

PROPOSED TRANSACTIONS

The Company has not entered into any significant transaction, nor is it currently reviewing any such transaction, that has not been discussed within this MD&A.

OFF-BALANCE SHEET ARRANGEMENTS

As at October 31, 2014, the Company does not have any off-balance sheet arrangements.

CONTINGENCIES

The Company is not a party to any legal or administrative claims.

The Company is partly financed by the issuance of flow-through shares. However, there is no guarantee that the funds spent by the Company will qualify as Canadian exploration expenses, even if the Company has committed to take all the necessary measures for this purpose.

As of January 31, 2015, the Company is committed to spend $727,473 and incur $727,473 in regards to the November 2014 flow-through private placement consisting of 7,750,000 flow-through units at $0.10 per unit by December 31, 2015.

There is no guarantee that the Company's exploration expenses will qualify as Canadian exploration expenses, even if the Company is committed to taking all the necessary measures in this regard. Refusal of certain expenses by the tax authorities would have a negative tax impact for investors. Moreover, the Company, has indemnified the subscribers of previous flow-through share offerings against any tax related amounts that become payable by the shareholder as a result of the Company not meeting its commitments.

CASH FLOWS

Cash flows used in operating activities were $90,078 for the three months ended January 31, 2015 as compared to cash flow used in operations of $130,949 for 2014. The increase in cash used is primarily attributable to the increase in administration of corporate activity and exploration activities through the period.

Cash flows used in investing activities were $612,922 for the three months ended January 31, 2015 as compared to cash flows used by investing activities of $299,371 for 2014. The increase in cash used in investing activities resulted from increased exploration and strategic acquisition activities undertaken during the period.

Cash flows from financing activities were $703,000 for the three months ended January 31, 2015 as compared to $430,320 for 2014. The cash flows relate to proceeds received from private placements completed during the period.

TRANSACTIONS WITH RELATED PARTIES

Name of Director/Officer	Position	Category	Amount paid/Accrued
Paul A. Gorman	Director, CEO	Management fees for corporate development and administration services (*)	$30,000
Paul R. Ankcorn	Director, CFO	Management fees for financial management services	$15,000
Paul K. Ferguson	Director, CMO	Consulting fees for corporate advisory services	$21,000
A. John Carter	Director, Senior Vice President	Geological consulting	$30,000
John M. Siriunas	Vice President – Exploration and Secretary	Geological consulting and corporate secretarial sevices	$15,000

* Amounts paid to Riverbank Communications Inc., a company controlled by Mr. Paul Gorman.

As at January 31, 2015, accounts payable and accrued liabilities include $42,599 (January 31, 2014 - $7,649) owing to related parties of the Company.

The Company's key management personnel has the authority and responsibility for planning, directing and controlling the activities of the Company and consists of its Directors, Chief Executive Officer and Chief Financial Officer. Total compensation paid to the Company's key management personnel during the three months ended January 31, 2015 amounted to $111,000 (three months ended January 31, 2014 - $104,500).

On July 1, 2013, the Company entered into consulting agreements with officers and directors of the Company for corporate administrative, financial management and geological services. The agreements run from July 1, 2013 to June 30, 2014 and amount to $18,000 per month, in aggregate. Upon expiry of the forgoing term, the agreements will automatically renew for successive one month periods.

Share-based payments to key management amounted to $nil (three months ended January 31, 2014 - $nil) during the three months ended January 31, 2015.

CRITICAL ACCOUNTING ESTIMATES

The preparation of its financial statements requires the Company to use estimates and assumptions that affect the reported amounts of assets and liabilities as well as revenues and expenses.

Our discussion and analysis of our financial condition and results of operations is based upon our financial statements, which have been prepared in accordance with International Financial Reporting Standards. Our significant accounting policies are contained in Note 3 to the financial statements for the three months ended January 31, 2015 and changes in those policies. Certain of these policies involve critical accounting estimates because they require us to make particularly subjective or complex judgments about matters that are inherently uncertain and because of the likelihood that materially different amounts could be reported under different conditions or using different assumptions.

The following section discusses the critical accounting estimates and assumptions that management has made and how they affect the amounts reported in the financial statements. We consider these estimates to be an important part of understanding our financial statements.

Asset Impairment

The Company reviews the carrying values of its machinery and equipment as well as its non producing mining properties, deferred exploration and development expenditures and deposit and deferred expenditures whenever events or changes in circumstances indicate that their carrying values may exceed their estimated recoverable amounts determined by reference to estimated undiscounted future cash flows.

The recoverability of amounts shown is dependent upon the discovery of economically recoverable mineral reserves, the ability of the Company to finance the development of the properties, and on the future profitable production or proceeds from the disposition thereof. An impairment loss is recognized when the carrying value of those assets exceeds its estimated net recoverable amount.

Stock-based Compensation

The Company uses the fair value method to account for stock options granted to directors, officers, employees and non-employees. Accordingly, the fair value of the options at the date of grant is either charged to operations or capitalized to exploration of development expenditures, as appropriate, with an offsetting credit to contributed surplus, over the vesting period of the option. If and when the stock options are exercised, the applicable amounts of contributed surplus are transferred to share capital.

Warrants

The Company uses the relative fair value method to account for warrants issued pursuant to proceeds from unit private placements. The fair value of the warrant is determined using the Black-Scholes option pricing model, while fair value of the share is based on the quoted market price on the date the shares are issued. Proceeds from the issuance of units in private placement are allocated on the relatively to the proportion of the fair value of warrant and fair value of share.

Exploration and evaluation assets

The Company capitalizes mining property acquisition costs which are to be amortized when production is attained or the balance thereof written off should the property be disproven through exploration or abandoned. The carrying value of the Company’s mineral property is reviewed by management at least annually, or whenever events or circumstances indicate that its carrying value may not be recovered. If impairment is determined to exist, a formal estimate of the recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset is measured at fair value less costs to sell.

Going Concern

The Company’s financial statements were prepared in accordance with International Financial Reporting Standards and on the basis of a going concern assumption meaning the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of material uncertainties relating to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern.

The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern. If management is unsuccessful in securing capital, the Company's assets may not be realized or its liabilities discharged at their carrying amounts and these differences could be material.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company currently does not own, hold or have any material interest in, or liability associated with, any derivative instruments.

DISCLOSURE OF INTERNAL CONTROLS

Management has established processes which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the financial statements 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, as of the date of and for the periods presented by the financial statements; and (ii) the financial statements fairly present all material respects the financial condition, results of the operations and cash flows of the Company, as of the date of and for the periods presented by the financial statements.

In contrast to the certificate required under Multilateral Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings (MI 52-109), the Company utilizes the Venture Issuer Basic Certificate which 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 defined in MI 52-109. In particular, the certifying officers filing the 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 issuer 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

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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 this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in MI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

RISK MANAGEMENT

Overview

The Company is engaged primarily in the mineral exploration field and accordingly it may be at risk for environmental issues and fluctuations in commodity pricing relating to the mineral extraction and exploration industry. The Company is subject to provincial and federal environmental regulations. Management has designed procedures and policies to provide for environmental compliance however, due to the diversity of environmental laws and regulations, compliance at all times cannot be assured.

Although management has taken steps to verify title on the properties on which it conducts exploration and in which it has an interest, these procedures may not guarantee the Company's title. Property title may be at risk from unregistered prior agreements, unregistered claims, other land claims and noncompliance with regulatory and environmental requirements.

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity and funding risk
- Market risk

The Board of Directors approves and monitors the risk management processes.

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's exposure to credit risk is on its restricted cash. Restricted cash consists primarily of cash bank balances held with a Canadian chartered bank. The Company manages the credit exposure related to cash by holding its funds with reputable financial institutions. As of January 31, 2015, the Company's maximum credit exposure for restricted cash is the aggregate carrying value of $40,704 (October 31, 2014 - $32,755).

Liquidity risk

Liquidity and funding risk is the risk that the Company will not have sufficient capital to meet short-term operating requirements, after taking into account the Company's holdings of restricted cash.

As at January 31, 2015, the Company's working capital surplus amounted to $41,075 (October 31, 2014 – surplus of $243,742). In the case of cash deficits arising from exploration commitments and general operating budgets, the Company will have to seek debt or equity financing. There is no assurance that such financing will be available on terms acceptable to the Company.

The Company determined that it will require additional capital in order to meet short-term business requirements, after taking into account the Company's holdings of restricted cash. The Company is actively looking to raise cash funds from private placements. The Company's restricted cash balance is invested in business accounts as of January 31, 2015.

Market risk

Foreign currency risk – The Company is not exposed to any fluctuation in foreign exchange rates because the Company does not hold any foreign dominated financial assets or liabilities.

Interest rate risk – Interest rate risk is the risk arising from the effect of changes in prevailing interest rates on the Company's financial instruments. The Company's exposure to interest rate risk is limited due to the short-term nature of its financial instruments. The Company has no-interest bearing debt.

Equity price risk – The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

Commodity price risk – The Company is exposed to price risk with respect to commodity prices. Changes in commodity prices will impact the economics of development of the Company. The Company monitors commodity prices to determine the appropriate course of action to be taken by the Company.

CAPITAL MANAGEMENT

The Company considers its capital to include components of shareholders' equity, which is comprised of share capital, shares to be issued, reserve for warrants, reserve for share-based payments, contributed surplus and deficit, which as at January 31, 2015 amounted to $2,325,618 (October 31, 2014 – $1,405,092).

The Company's objectives in managing capital are: to maintain adequate levels of funding to support its expenditures arising from the Company's investments; to safeguard the Company's ability to continue as a going concern in order to pursue investments and new projects of merit; and to maintain corporate and administrative functions necessary to support the Company's operations and corporate functions.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will continue to assess its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the three months ended January 31, 2015. The Company is not subject to externally imposed capital requirements other than flow-through expenditure requirements.

INDUSTRY, ECONOMIC AND ENVIRONMENTAL RISK FACTORS AFFECTING PERFORMANCE

As a mineral exploration company, the Company's performance is affected by a number of industry and economic factors and exposure to certain environmental risks, and other regulatory requirements.

These have been detailed in the Company's filing statement available at www.sedar.com under the Company's name.

Risk Factors

The Company is in the business of acquiring, exploring and, if warranted, developing and exploiting natural resource properties, currently in Ontario and Quebec. Due to the nature of the Company's proposed business and the present stage of exploration of its mineral properties (which are primarily early stage exploration properties with no known resources or reserves), the following risk factors, among others, will apply:

Resource Exploration and Development is Generally a Speculative Business: Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in size to return a profit from production. The marketability of natural resources that may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of natural resource markets, government regulations, including regulations relating to prices, taxes, royalties, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital**. There is no known resource, and there are no known reserves, on any of the Company's properties. The vast majority of exploration projects do not result in the discovery of commercially mineable deposits of ore.** Substantial expenditures are required to establish ore reserves through drilling and metallurgical and other testing techniques, determine metal content and metallurgical recovery processes to extract metal from the ore, and construct, renovate or expand mining and processing facilities. No assurance can be given that any level of recovery of ore reserves will be realized or that any identified mineral deposit, even if it is established to contain an estimated resource, will ever qualify as a commercial mineable ore body which can be legally and economically exploited. The great majority of exploration projects do not result in the discovery of commercially mineable deposits of ore.

Fluctuation of Metal Prices: Even if commercial quantities of mineral deposits are discovered by the Company, there is no guarantee that a profitable market will exist for the sale of the metals produced. Factors beyond the control of the Company may affect the marketability of any substances discovered. The prices of various metals have experienced significant movement over short periods of time, and are affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. The supply of and demand for metals are affected by various factors, including political events, economic conditions and production costs in major producing regions. There can be no assurance that the price of any commodities will be such that any of the properties in which the Company has, or has the right to acquire, an interest may be mined at a profit.

Recent market events and conditions: From 2007 into 2010, the U.S. credit markets have experienced serious disruption due to a deterioration in residential property values, defaults and delinquencies in the residential mortgage market (particularly, sub-prime and non-prime mortgages) and a decline in the credit quality of mortgage backed securities. These problems have led to a slow-down in residential housing market transactions, declining housing prices, delinquencies in non-mortgage consumer credit and a general decline in consumer confidence.

These conditions caused a loss of confidence in the broader U.S. and global credit and financial markets and resulting in the collapse of, and government intervention in, major banks, financial institutions and insurers and creating a climate of greater volatility, less liquidity, widening of credit spreads, a lack of price transparency, increased credit losses and tighter credit conditions.

Notwithstanding various actions by the U.S. and foreign governments, concerns about the general condition of the capital markets, financial instruments, banks, investment banks, insurers and other financial institutions caused the broader credit markets to further deteriorate and stock markets to decline substantially. In addition, general economic indicators have deteriorated, including declining consumer sentiment, increased unemployment and declining economic growth and uncertainty about corporate earnings.

While these conditions appear to have improved slightly in 2010-2011, unprecedented disruptions in the credit and financial markets have had a significant material adverse impact on a number of financial institutions and have limited access to capital and credit for many companies.

These disruptions could, among other things, make it more difficult for the Company to obtain, or increase its cost of obtaining, capital and financing for its operations. The Company's access to additional capital may not be available on terms acceptable to it or at all.

General economic conditions*:* The recent unprecedented events in global financial markets have had a profound impact on the global economy. Many industries, including the gold and base metal mining industry, are impacted by these market conditions. Some of the key impacts of the current financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and precious metal markets, and a lack of market liquidity. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates, and tax rates may adversely affect the Company's growth and profitability. Specifically:

- the global credit/liquidity crisis could impact the cost and availability of financing and the Company's overall liquidity
- the volatility of precious and base metal prices may impact the Company's potential future revenues, profits and cash flow
- volatile energy prices, commodity and consumables prices and currency exchange rates impact potential production costs
- the devaluation and volatility of global stock markets impacts the valuation of the Company's common shares, which may impact the Company's ability to raise funds through the issuance of equity securities

These factors could have a material adverse effect on the Company's financial condition and results of operations.

Share Price Volatility: During the past year, worldwide securities markets, particularly those in the United States and Canada, have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered exploration or development stage companies, have experienced unprecedented declines in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. Most significantly, the share prices of junior natural resource companies have experienced an unprecedented decline in value and there has been a significant decline in the number of buyers willing to purchase such securities. In addition, significantly higher redemptions by holders of mutual funds has forced many of such funds (including those holding the Company's securities) to sell such securities at any price. **As a consequence, despite the Company's past success in securing significant equity financing, market forces may render it difficult or impossible for the Company to secure places to purchase new share issues at a price which will not lead to severe dilution to existing shareholders, or at all.**

Therefore, there can be no assurance that significant fluctuations in the trading price of the Company's common shares will not occur, or that such fluctuations will not materially adversely impact on the Company's ability to raise equity funding without significant dilution to its existing shareholders, or at all.

Financing Risks: The Company has limited financial resources, has no source of operating cash flow and has no assurance that additional funding will be available to it for further exploration and development of its projects or to fulfill its obligations under any applicable agreements. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties.

Insufficient Financial Resources: The Company does not presently have sufficient financial resources to undertake by itself the acquisition, exploration and development of all of its planned acquisition, exploration and development programs. Future property acquisitions and the development of the Company's properties will therefore depend upon the Company's ability to obtain financing through the joint venturing of projects, private placement financing, public financing, short or long term borrowings or other means. There is no assurance that the Company will be successful in obtaining the required financing. Failure to raise the required funds could result in the Company losing, or being required to dispose of, its interest in its properties.

Dilution to the Company's existing shareholders: The Company will require additional equity financing to be raised in the future. The Company may issue securities at less than favorable terms to raise sufficient capital to fund its business plan. Any transaction involving the issuance of equity securities or securities convertible into common shares would result in dilution, possibly substantial, to present and prospective holders of common shares.

Increased costs: Management anticipates that costs at the Company's projects will frequently be subject to variation from one year to the next due to a number of factors, such as the results of ongoing exploration activities (positive or negative), changes in the nature of mineralization encountered, and revisions to exploration programs, if any, in response to the foregoing. In addition, exploration program costs are affected by the price of commodities such as fuel, rubber and electricity and the availability (or otherwise) of consultants and drilling contractors. Increases in the prices of such commodities or a scarcity of consultants or drilling contractors could render the costs of exploration programs to increase significantly over those budgeted. A material increase in costs for any significant exploration programs could have a significant effect on the Company's operating funds and ability to continue its planned exploration programs.

***Mining Industry is Intensely Competitive*:** The Company's business of the acquisition, exploration and development of mineral properties is intensely competitive. The Company may be at a competitive disadvantage in acquiring additional mining properties because it must compete with other individuals and companies, many of which have greater financial resources, operational experience and technical capabilities than the Company. Increased competition could adversely affect the Company's ability to attract necessary capital funding or acquire suitable producing properties or prospects for mineral exploration in the future.

Permits and Licenses: The operations of the Company will require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects, on reasonable terms or at all. Delays or a failure to obtain such licenses and permits, or a failure to comply with the terms of any such licenses and permits that the Company does obtain could have a material adverse effect on the Company.

Government Regulation: Any exploration, development or mining operations carried on by the Company, will be subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards. In addition, the profitability of any mining prospect is affected by the market for precious and/or base metals which is influenced by many factors including changing production costs, the supply and demand for metals, the rate of inflation, the inventory of metal producing corporations, the political environment and changes in international investment patterns.

***Environmental Restrictions*:** The activities of the Company are subject to environmental regulations promulgated by government agencies in different countries from time to time. Environmental legislation generally provides for restrictions and prohibitions on spills, releases or emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered species and reclamation of lands disturbed by mining operations. Certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards, and enforcement. Fines and penalties for noncompliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations.

Foreign Countries and Political Risk: All of the mineral properties held by the Company are located in the US and Canada, where mineral exploration and mining activities may be affected in varying degrees by changes in government regulations such as tax laws, business laws, environmental laws and mining laws, affecting the Company's business in that country. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business, or if significant enough, may make it impossible to continue to operate in the country. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, foreign exchange restrictions, export controls, income taxes, expropriation of property, environmental legislation and mine safety.

Dependence Upon Others and Key Personnel: The success of the Company's operations will depend upon numerous factors, many of which are beyond the Company's control, including (i) the ability to design and carry out appropriate exploration programs on its mineral properties; (ii) the ability to produce minerals from any mineral deposits that may be located; (iii) the ability to attract and retain additional key personnel in exploration, marketing, mine development and finance; and (iv) the ability and the operating resources to develop and maintain the properties held by the Company. These and other factors will require the use of outside suppliers as well as the talents and efforts of the Company and its consultants and employees. There can be no assurance of success with any or all of these factors on which the Company's operations will depend, or that the Company will be successful in finding and retaining the necessary employees, personnel and/or consultants in order to be able to successfully carry out such activities.

Surface Rights and Access: Although the Company acquires the rights to some or all of the minerals in the ground subject to the tenures that it acquires, or has a right to acquire, in most cases it does not thereby acquire any rights to, or ownership of, the surface to the areas covered by its mineral tenures. In such cases, applicable mining laws usually provide for rights of access to the surface for the purpose of carrying on mining activities, however, the enforcement of such rights through the applicable courts can be costly and time consuming. In areas where there are no existing surface rights holders, this does not usually cause a problem, as there are no impediments to surface access.

However, in areas where there are local populations or land owners, it is necessary, as a practical matter, to negotiate surface access. There can be no guarantee that, despite having the right at law to access the surface and carry on exploration and mining activities, the Company will be able to negotiate a satisfactory agreement with any such existing landowners/occupiers for such access, and therefore it may be unable to carry out mining activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on the assistance of local officials or the courts in such jurisdiction. The Company has not, to date, experienced any problems in gaining access to any of its properties.

Title Matters: Although the Company has taken steps to verify the title to the mineral properties in which it has or has a right to acquire an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee title (whether of the Company or of any underlying vendor(s) from whom the Company may be acquiring its interest). Title to mineral properties may be subject to unregistered prior agreements or transfers, and may also be affected by undetected defects or the rights of indigenous peoples. The
Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties for which titles have been issued are in good standing.

Exploration and Mining Risks**:** Fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. Substantial expenditures are required to establish reserves through drilling, to develop metallurgical processes, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing mineral properties is affected by many factors including the cost of operations, variations of the grade of ore mined, fluctuations in the price of gold or other minerals produced, costs of processing equipment and other factors such as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material. Short term factors, such as the need for orderly development of ore bodies or the processing of new or different grades, may have an adverse effect on mining operations and on the results of operations. There can be no assurance that minerals recovered in small scale laboratory tests will be duplicated in large scale tests under on-site conditions or in production scale operations. Material changes in geological resources, grades, stripping ratios or recovery rates may affect the economic viability of projects.

Regulatory Requirements**:** The activities of the Company are subject to extensive regulations governing various matters, including environmental protection, management and use of toxic substances and explosives, management of natural resources, exploration, development of mines, production and post-closure reclamation, exports, price controls, taxation, regulations concerning business dealings with indigenous peoples, labour standards on occupational health and safety, including mine safety, and historic and cultural preservation. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties, enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions, any of which could result in the Company incurring significant expenditures. The Company may also be required to compensate those suffering loss or damage by reason of a breach of such laws, regulations or permitting requirements. It is also possible that future laws and regulations, or more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expense, capital expenditures, restrictions on or suspension of the Company's operations and delays in the exploration and development of the Company's properties.

Limited Experience with Development-Stage Mining Operations: The Company has very limited experience in placing mineral resource properties into production, and its ability to do so will be dependent upon using the services of appropriately experienced personnel or entering into agreements with other major resource companies that can provide such expertise. There can be no assurance that the Company will have available to it the necessary expertise when and if it places its resource properties into production.

Uncertainty of Resource Estimates/Reserves: Unless otherwise indicated, mineralization figures presented in the Company's filings with securities regulatory authorities, press releases and other public statements that may be made from time to time are based upon estimates made by Company personnel and independent geologists. These estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis, which may prove to be unreliable. There can be no assurance that:

• these estimates will be accurate;

• reserves, resource or other mineralization figures will be accurate; or

• this mineralization could be mined or processed profitably.

Because the Company has not commenced production at any of its properties, and has not defined or delineated any proven or probable reserves on any of its properties, mineralization estimates for the Company's properties may require adjustments or downward revisions based upon further exploration or development work or actual production experience. In addition, the grade of ore ultimately mined, if any, may differ from that indicated by drilling results. There can be no assurance that minerals recovered in small-scale tests will be duplicated in large-scale tests under on-site conditions or in production scale. The resource estimates contained in the Company's filings with securities regulatory authorities, press releases and other public statements that may be made from time to time have been determined and valued based on assumed future prices, cut-off grades and operating costs that may prove to be inaccurate.

Extended declines in market prices for gold, silver, copper, iron or other metals may render portions of the Company's mineralization uneconomic and result in reduced reported mineralization. Any material reductions in estimates of mineralization, or of the Company's ability to extract this mineralization, could have a material adverse effect on the Company's results of operations or financial condition. **The Company has not established the presence of any resources or any proven or probable reserves at any of its mineral properties. There can be no assurance that subsequent testing or future studies will establish any resources or proven or probable reserves at the Company's properties. The failure to establish proven or probable reserves could restrict the Company's ability to successfully implement its strategies for long-term growth**.

No Assurance of Profitability: The Company has no history of earnings and, due to the nature of its business there can be no assurance that the Company will ever be profitable. The Company has not paid dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is from the sale of its common shares or, possibly, from the sale or optioning of a portion of its interest in its mineral properties. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists. While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of its properties, there can be no assurance that any such funds will be available on favorable terms, or at all. At present, it is impossible to determine what amounts of additional funds, if any, may be required. Failure to raise such additional capital could put the continued viability of the Company at risk.

Uninsured or Uninsurable Risks: Exploration, development and mining operations involve various hazards, including environmental hazards, industrial accidents, metallurgical and other processing problems, unusual or unexpected rock formations, structural cave-ins or slides, flooding, fires, metal losses and periodic interruptions due to inclement or hazardous weather conditions. These risks could result in damage to or destruction of mineral properties, facilities or other property, personal injury, environmental damage, delays in operations, increased cost of operations, monetary losses and possible legal liability. The Company may not be able to obtain insurance to cover these risks at economically feasible premiums or at all. The Company may elect not to insure where premium costs are disproportionate to the Company's perception of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration and production activities.

Conflict of Interests: Certain of the directors and officers of the Company are directors or officers of, or have significant shareholdings in, other mineral resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate or may wish to participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. Such other companies may also compete with the Company for the acquisition of mineral property rights.

In the event that any such conflict of interest arises, a director or officer who has such a conflict will disclose the conflict to a meeting of the directors of the Company and, if the conflict involves a director, the director will abstain from voting for or against the approval of such a participation or such terms. In appropriate cases, the Company will establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict. From time to time, several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program.

It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. In accordance with the provisions of the Business Corporations Act (British Columbia), the directors and officers of the Company are required to act honestly and in good faith, with a view to the best interests of the Company.

In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the potential benefits to the Company, the degree of risk to which the Company may be exposed and its financial position at that time.

OTHER MD&A REQUIREMENTS

ADDITONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's general and administrative expenses and resource property costs is provided in the Company's *Statement of Comprehensive Loss and Statement of* *changes in Shareholders' Equity and Schedule of Mineral Exploration Property Costs* contained in its audited Financial Statements for the year ended October 31, 2014 and its condensed interim financial statements for the three months ended January 31, 2015, which is available on Shield's SEDAR Page Site accessed through www.sedar.com.

OUTLOOK

The Company expects to obtain financing in the future primarily through further equity financing, as well as through other means in order to further explore its mineral properties. There can be no assurance that the Company will succeed in obtaining additional financing, nor or in the future. Failure to raise additional financing on a timely basis could cause the Company to suspend its operation and eventually to forfeit or sell its interest in its resources properties.

APPROVAL

The Board of Directors of the Company has approved the disclosures contained in this MD&A upon recommendation of the Audit Committee.

EVENTS AFTER THE REPORTING DATE AND COMMITMENTS

The Company released sampling results from the eight diamond drill holes put down on the Lochaber Graphite Property as part of a step-out and infill program to assist the estimate of resources being carried out by SRK Consulting. A summary of those results is as follows:

DRILL HOLE	Dip (°)	Total Depth (m)	Intersection*			Cg (%)
			From (m)	To (m)	Width (m)	
GLK-14-01	**-45**	**142.0**	**17.70**	**30.00**	***12.30***	**5.30**
including			**24.00**	**25.60**	***1.60***	**10.74**
including			**24.00**	**28.00**	***4.00***	**8.63**
including			**26.15**	**28.00**	***1.85***	**9.55**
GLK-14-01			45.60	52.50	*6.90*	1.27
GLK-14-01			56.50	61.00	*4.50*	2.10
GLK-14-01			66.00	69.15	*3.15*	1.48
GLK-14-01			**82.35**	**85.56**	***3.21***	**6.36**
GLK-14-02	**-45**	**140.5**	**21.87**	**27.15**	***5.28***	**3.09**
including			**21.87**	**26.00**	***4.13***	**3.45**
GLK-14-02			32.00	35.00	*3.00*	2.33
GLK-14-02			38.00	44.00	*6.00*	2.08
including			38.00	42.00	*4.00*	2.48
GLK-14-02			**63.65**	**67.00**	***3.35***	**6.25**
including			**64.15**	**65.70**	***1.55***	**8.44**
GLK-15-03	**-45**	**140.6**	**27.00**	**28.70**	***1.70***	**5.69**
including			**27.00**	**28.00**	***1.00***	**7.86**
GLK-15-03			**35.00**	**38.00**	***3.00***	**6.90**
GLK-15-03			**27.00**	**28.70**	***1.70***	**5.69**
including			**27.00**	**28.00**	***1.00***	**7.86**

GLK-15-03			**35.00**	**38.00**	***3.00***	**6.90**
including			**35.80**	**37.00**	***1.20***	**9.56**
GLK-15-03			**66.50**	**69.00**	***2.50***	**6.10**
GLK-15-03			71.00	74.15	*3.15*	2.99
GLK-15-03			78.00	87.00	*9.00*	2.37
including			**84.00**	**85.00**	***1.00***	**4.28**
GLK-15-04	**-45**	**142.0**	2.00	18.40	*16.40*	2.03
including			**14.00**	**18.40**	**4.40**	***4.30***
including			**16.00**	**18.40**	***2.40***	**7.38**
GLK-15-04			34.05	47.60	*13.55*	1.53
including			36.00	39.00	*3.00*	2.28
GLK-15-04			50.00	61.00	*11.00*	2.14
including			**50.00**	**53.00**	***2.00***	**4.06**
GLK-15-04			81.00	86.00	*5.00*	2.81
including			**83.85**	**86.00**	***2.15***	**4.91**
GLK-14-05	**-45**	**160.5**	**38.85**	**39.35**	***0.50***	**4.06**
GLK-14-05			94.50	109.00	*14.50*	2.21
including			**97.00**	**99.00**	***2.00***	**3.09**
GLK-14-05			112.35	125.75	*13.40*	1.91
including			**112.35**	**117.00**	***4.65***	**3.00**
GLK-14-05			135.35	144.00	*8.65*	2.28
GLK-15-06	**-45**	**162.0**	**1.00**	**2.50**	***1.50***	**5.26**
GLK-15-06			**21.50**	**22.70**	***1.20***	**3.61**
GLK-15-06			**62.20**	**63.20**	***0.90***	**5.76**
GLK-15-06			79.60	103.20	*23.60*	1.96
including			**96.00**	**97.00**	***1.00***	**4.16**
GLK-15-06			115.00	118.75	*3.75*	1.52
GLK-15-06			130.00	140.00	*10.00*	1.56
GLK-15-07	**-45**	**121.0**	47.10	57.50	*10.40*	1.07
GLK-15-07			107.65	120.10	*12.45*	1.49
including			**116.60**	**119.20**	***2.60***	**3.61**
GLK-15-08	**-45**	**121.0**	**27.85**	**29.02**	***1.17***	**3.10**
GLK-15-08			33.00	65.00	*32.00*	2.46
including			**38.00**	**39.00**	***1.00***	**5.79**
including			**42.00**	**45.00**	***3.00***	**4.57**
including			**43.45**	**44.00**	***1.00***	**5.73**

* *none of the intersections is considered to represent a true width of the sampled mineralization*

Great Lakes maintains a comprehensive chain of custody and QA-QC program on assays from its Lochaber Graphite Project. Core is logged and sampled at its preparation facility in Sudbury, Ontario, before being shipped to AGAT Laboratories, an ISO 9001-accredited facility, in Mississauga, Ontario for assay. Industry-standard certified reference materials and blanks are inserted into the sample stream prior to dispatch to AGAT.

Graphitic carbon assays are performed using a modified infrared assay method. Great Lakes is committed to using this method in order to achieve a high level of accuracy. This method is preferable to other industry-accepted assay methods including varying forms of Loss on Ignition (LOI) analysis as some carbonates require high temperatures to decompose, in the same range where graphite will burn increasing the possibility of the introduction of errors in the results, typically on the high side.

On February 26, 2015 the Company announced the formal launch of Great Lakes Innovations, which will be an operating division of Great Lakes Graphite Inc. This division was established in the third quarter of 2014 in order to pursue specific opportunities in the value-added graphite products market, beginning with micronization and purification.

To enable this strategy, the Company has entered into an agreement with Northfil Resources Limited to lease a fully equipped integrated micronization facility capable of processing flake graphite, located in Matheson, Ontario. The facility is planned to begin commercial operations during the second half of 2015, with a ramp-up to full production by the late 2016. Refurbishment of the plant is planned to begin immediately with commissioning scheduled to follow, in approximately five months.

It was announced in March, 2015 that Mr. Jerry Janik had been appointed the Chief Operating Officer of the Great Lakes Innovations operating division of the Company.

Prior to joining the Company, Mr. Janik held positions as Vice President of Operations and General Manager, Mining with Ontario Graphite, Area Operations Manager for Carmeuse Industrial Sand in Texas and Plant Manager with UNIMIN Canada Ltd.'s Nepheline Syenite Operations.

Mr. Janik has extensive knowledge in the design, operation, and management of the micronization of industrial minerals, including work with amorphous silica with material as fine as 99% passing 8 microns and work with nepheline syenite where the finest product is 99% passing 5 microns; Mr. Janik also holds part ownership of the patents for this product, and the design of the grinding/classifier systems required to achieve this very fine grade.

Later in March the Company announced that it has entered into a 5-year supply agreement with DNI Metals Inc. ("DNI") for the procurement of natural flake graphite concentrate. Under the terms of the agreement, GLK will have the ability to purchase up to 34,000 tonnes of material from DNI, which will be sent to the Matheson facility for the production of micronized flake graphite. To ensure final product consistency and quality, all of the concentrate will be sourced from a mill that has met the testing requirements performed by the company over the last 6 months.

In early March the Company announced a non-brokered private-placement offering of up to a total of ten (12) million units of Company equity. The private placement will comprise two separate unit offerings (collectively the "Offering"). The first will include an offering of 6,000,000 units (each a "Unit") at a price of $CDN 0.05 per Unit, for gross proceeds of up to $CDN 300,000. Each Unit will consist of one common share of the Company and one common share-purchase warrant (the "Warrants"); each Warrant will entitle the holder to purchase one additional common share of the Company at a price of $CDN 0.10 for a period of twenty-four (24) months after the closing of the Offering.

The second part will include an offering of 6,000,000 flow-through units (each a "Flow-Through Unit") at a price of $CDN 0.05 per Flow-Through Unit, for gross proceeds of up to $CDN 300,000. Each Flow-Through Unit will consist of one flow-through eligible common share of Great Lakes and one common share-purchase warrant (the "FT Warrants"); each FT Warrant will entitle the holder to purchase one additional Great Lakes common share (non-flow-through eligible) at a price of $CDN 0.10 for a period of twenty-four (24) months after the closing of the Offering.

The Company also announced that it has settled a total of $130,000 of debt (the "Debt") with an arm's-length party to the Company. The Debt payable to the arm's-length party totaled $130,000.00 and the Company settled the same by issuing an aggregate of 2,600,000 common shares at a deemed price of $0.05 per share.

OFFICERS AND DIRECTORS

As of the date hereof the current officers and directors of the Company are:

Paul Gorman – CEO and Director
Paul Ankcorn – CFO and Director
Paul Ferguson – CMO and Director
A. John Carter – Sr. Vice President and Director
Jerry Janik – COO, Great Lakes Innovations Division
Laura Mottola – Director
Greg Murphy – Director
Brad Barnett – Director
John Siriunas – Vice President of Exploration and Secretary

John Siriunas, P.Eng., P.Geo., is the Qualified Person as defined by National Instrument 43-101 for Great Lakes Graphite Inc.

DISCLOSURE OF OUTSTANDING SECURITIES AS AT MARCH 31, 2015

Outstanding common shares: 81,314,820
Share purchase and finders warrants: 25,134,742
Stock options: 4,534,094
Fully diluted: 110,983,656