



INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS

Quarterly Highlights

Three and Nine Months ended November 30, 2016

SPHINX RESOURCES LTD.

Management's Discussion and Analysis – Quarterly Highlights

Three and Nine Months ended November 30, 2016

This Management's Discussion and Analysis – Quarterly Highlights ("MD&A Highlights") of the financial position and results of operations reviews the activities, results of operations and financial position of Sphinx Resources Ltd. ("Sphinx" or the "Corporation") for the three and nine month periods ended November 30, 2016 ("Q3-17" and "YTD Q3-17", respectively), together with certain trends and factors that are expected to have an impact in the future. This MD&A Highlights should be read in conjunction with the Corporation's condensed interim financial statements as at November 30, 2016 prepared in accordance with the International Financial Reporting Standards ("IFRS"), as well as with the management discussion and analysis for the fiscal year ended February 29, 2016 ("Fiscal 2016"). All dollar amounts are expressed in Canadian dollars, the functional currency of the Corporation, unless otherwise stated.

Further information regarding the Corporation and its operations are filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) in Canada and can be found on www.sedar.com.

The following abbreviations are used to describe the periods under review throughout this MD&A Highlights:

Abbreviation	Period
Q1-16	March 1, 2015 to May 31, 2015
Q2-16	June 1, 2015 to August 31, 2015
Q3-16	September 1, 2015 – November 30, 2015
YTD Q3-16	March 1, 2015 – November 30, 2015
Q4-16	December 1, 2015 – February 29, 2016
Fiscal 16	March 1, 2015 – February 29, 2016
Q1-17	March 1, 2016 – May 31, 2016
Q2-17	June 1, 2016 to August 31, 2016
Q3-17	September 1, 2016 to November 30, 2016
YTD Q3-17	March 1, 2016 – November 30, 2016
Fiscal 17	March 1, 2016 – February 28, 2017

The technical information contained in this MD&A Highlights has been reviewed and verified by Sphinx's President and Chief Executive Officer, Normand Champigny (ing., B.A.Sc., M.A.Sc.), who is a qualified person for the purpose of National Instrument 43-101, Standards of Disclosure for Mineral Projects.

1. NATURE OF ACTIVITIES

Sphinx was incorporated on June 28, 2005 and is governed by the *Canada Business Corporations Act*. The Corporation is a reporting issuer in Alberta, British Columbia, Ontario and Québec and its shares are listed on the TSX Venture Exchange (the "Exchange") under the symbol SFX. The Corporation is engaged in the acquisition, exploration and development of mineral projects in Québec, Canada.

2. OVERALL PERFORMANCE

Sphinx's strategy is to generate or acquire quality projects with good social acceptability, low cost exploration by ensuring year-round ground access, and a focus on precious metals. Sphinx will maintain a diverse portfolio of projects with various levels of advancement in different high grade metamorphic terranes, which have been often overlooked for their precious metals potential. To execute on this strategy, the Corporation relies on a team of recognized mine finders with significant experience in exploration project generation. Sphinx will concentrate first on Quebec with potential expansion into other Canadian provinces.

Since the first quarter of this year, junior resource sector appears to be moving in a positive direction after a very significant downturn. With the announcement in August 2016 of the partnership with Sirios Resources Inc. ("Sirios") on the Chechoo-Eleonore Trend Project in the Eeyou Istchee James Bay territory, Sphinx's share price reached a two-year high, a significant achievement in the current market environment.

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2. OVERALL PERFORMANCE (CONT'D)

SOQUEM, a subsidiary of Investissement Québec, is a leading player in mineral exploration in Québec. Following the completion in the summer 2016 of a heliborne geophysical survey, Sphinx and SOQUEM have identified priority target areas for zinc and palladium on the Calumet-Sud project and palladium on both the Calumet-Sud and Green Palladium projects. The survey identified several new electromagnetic anomalies not previously detected at a distance of 2 to 3 km south-southeast of the former-producing New Calumet mine. The area of these new electromagnetic anomalies includes a strong lead-zinc anomaly in soils and the area where high levels of zinc were measured in samples from trenches dug in 2014. The follow-up field exploration program is underway on the priority target areas for both zinc and palladium to identify the best targets for a drill program.

In Q1-17, the Corporation was informed by Revenu Quebec of the favorable resolution of the objection process related to the refundable tax credit for resources for fiscal years 2009, 2010 and 2011 and received a reimbursement of \$247,665. In addition, the Corporation received the fiscal 2014 Quebec refundable credits on mining duties for losses for \$739,272. And finally, the Corporation received \$184,998 relating to the fiscal 2015 refundable tax credit for resources (of which \$161,636 was received in late February 2016).

These reimbursements totalling \$1,171,935 dramatically improved the financial position of the Corporation and facilitated the payment of all its outstanding trade payables. In March 2016, the Corporation reimbursed the residual balance of the loan payable for \$160,000 and was released from the Forbearance Agreement.

On July 17, 2016, the Corporation signed a promissory note with Eco-Niobium Resources Inc. ("Eco-Niobium") whereby the Corporation lent \$85,000 to Eco-Niobium. The Exchange approved this transaction. The loan bears interest at the rate of 3% per annum and matures in 36 months. The bridge loan is not convertible into Eco-Niobium Shares and is secured by a movable hypothec on all present and future movable assets of Eco-Niobium. The net proceeds of the loan will be used for general corporate purposes and to advance mining projects of Eco-Niobium including the social acceptability aspects of a niobium project of the Oka area. Sphinx had entered into an agreement with Eco-Niobium providing for a strategic investment in Eco-Niobium of up to \$250,000 by way of a non-brokered private placement of unsecured convertible debentures of Eco-Niobium. The TSX-V had conditionally approved the investment. One of the conditions that had to be satisfied was the approval by the shareholders of Corporation, excluding the votes of non-arms' length parties. The investment is a non-arms' length transaction under the policies of the Exchange as a result of three directors being also directors of Eco-Niobium, namely Normand Champigny, Kerry E. Sparkes and John W. W. Hick. . The Corporation decided not to seek the disinterested shareholder approval at its October 6, 2016 shareholder meeting to complete the strategic investment in Eco-Niobium by way of a non-brokered private placement of unsecured convertible debentures of Eco-Niobium. Considering the current status of this project and the various approvals that Eco-Niobium has to achieve to successfully move this project forward, including obtaining the legal mineral rights, management has provided for 100% of the promissory note.

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2. OVERALL PERFORMANCE (CONT'D)

On September 22, 2016, the Corporation closed the first tranche of a non-brokered private placement for aggregate gross proceeds of \$276,500, comprised of 5,530,000 units of the Corporation at a price of \$0.05 per unit. Each unit consists of one common share in the capital of the Corporation and one common share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of \$0.08 per common share until September 22, 2019. Management and one director of the Corporation subscribed for an amount of \$15,000 of the Private Placement. The Corporation paid certain finder's fee of up to 7% in cash, representing an aggregate amount of up to \$13,755, and issued 173,600 non-transferable finders warrants, each such entitling the finder to acquire one common share at a price of \$0.08 per common share until September 22, 2019.

As of November 30, 2016, the Corporation had a negative working capital of \$305,328 (positive \$232,482 as at February 29, 2016). Included in the working capital calculation, there is an amount of \$411,680 (\$328,377 as at February 29, 2016) convertible debenture due on December 19, 2016.

Subsequent to the end of Q3-17, on January 9, 2017, the Corporation issued 5,000,000 common shares as repayment of \$225,000 convertible debenture. The conversion price was based on the VWAP, subject to a \$0.05 per common share minimum. Also on January 9, 2017, the Corporation issued 900,081 common shares in lieu of a cash payment for the interest from December 19, 2015 to December 19, 2016 for \$45,004, in accordance with the terms of the convertible debentures issued by the Corporation on December 19, 2014.

The \$150,000 convertible debenture issued to Société d'investissement dans la diversification de l'exploration s.e.c. ("SIDEX") was extended for 2 years, subject to approval by the Exchange.

3. EXPLORATION PROJECTS

For mineral properties that have not reached technical feasibility, exploration and evaluation expenditures are charged to operations as they are incurred. The Corporation's exploration and evaluation expenditures incurred are as follows:

	Q3-17	Q3-16	YTD Q2-17	YTD Q2-16
	\$	\$	\$	\$
Cheechoo-Éléonore Trend				
Project acquisition and maintenance	-	-	38,569	-
Geology	46,745	-	51,688	-
Tax credits	(20,893)	-	(22,562)	-
	25,852	-	67,695	-
Calumet-Sud				
Project acquisition and maintenance	-	173	94	41,711
Shares issued	-	-	76,923	-
Option payment received	-	-	(7,000)	-
Geology	(1,000)	2,000	203	2,000
Tax credits	337	-	(69)	-
	(663)	2,173	70,151	43,711
Green Palladium				
Project acquisition and maintenance	4,760	-	8,240	160,185
Drilling	-	31,260	-	187,167
Geology	33,896	(27,083)	65,894	64,087
Geophysics	-	-	36,655	58,485
Geochemistry	325	-	325	-
Tax credits	(11,554)	-	(34,729)	(32,528)
	27,427	4,177	76,385	437,396

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3. EXPLORATION PROJECTS (CONT'D)

	Q3-17	Q3-16	YTD Q2-17	YTD Q2-16
	\$	\$	\$	\$
Chemin Troilus				
Project acquisition and maintenance	636	-	38,370	-
Shares issued	-	-	30,000	-
Geology	23,185	-	40,568	-
Tax credits	(11,840)	-	(17,708)	-
	11,981	-	91,230	-
Somanike				
Project acquisition and maintenance	668	774	3,670	111,964
Drilling	-	469	-	159,524
Geology	9,886	2	51,001	27,202
Geophysics	-	75	-	47,575
Geochemistry	-	-	-	3,676
Tax credits	(3,336)	-	(17,219)	(3,994)
	7,218	1,320	37,452	345,947
Samson				
Project acquisition and maintenance	-	-	-	2,966
Drilling	-	-	-	132,604
Geology	-	-	-	16,099
Geophysics	-	-	-	35,299
Geochemistry	-	-	-	18,652
	-	-	-	205,620
Adam				
Geology	-	-	-	7,588
Geophysics	-	-	-	10,154
	-	-	-	17,742
Project generation				
Geology	2,437	-	4,937	-
Tax credits	(822)	-	(1,666)	-
	1,615	-	3,271	-
Total exploration and evaluation expenditures	73,430	7,670	346,184	1,050,416

3.1 Cheechoo-Éléonore trend project

a) Project description

On August 23, 2016, the Corporation signed a letter of agreement to form a 50-50% joint venture with Sirios to explore 551 claims (the "Project") along the northwest extension of the Cheechoo-Éléonore trend, located in the Eeyou Istchee James Bay territory, Québec. Under the terms of this joint venture agreement, the partners have agreed to spend a minimum of \$500,000 by each party over the next five years. Sirios is the operator of the Project. If one of the party's interest dilutes to 10% or less, its interest shall be converted to a 2% net smelter return royalty. At any time, the non-diluted party may purchase half of the royalty holder's rights to all future royalty payments for an immediate payment of \$1,000,000.

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3. EXPLORATION PROJECTS (CONT'D)

b) Exploration work on the project

Sphinx and Sirios join their robust and complimentary technical expertise to carry out an exploration program which aims to identify gold deposits along this promising and underexplored corridor. This trend comprises Sirios' Cheechoo gold discovery and the Éléonore mine, a gold operation owned by Goldcorp Inc. The Project's southeastern extremity is situated about 24 km northwest of the Éléonore mine and road access is available within 14 km of this location. On the basis of the same high degree of metamorphism and similar gold-arsenical paragenesis, Sphinx considers that the geological setting of the Project is of a similar character to the Cheechoo discovery and the Éléonore mine.

In September 2016, Sphinx announced the beginning of exploration work on the project. The objective of this first phase of exploration was to provide a preliminary evaluation of the gold potential of this promising and unexplored 50 km trend.

The management committee of the joint venture approved a till sampling program that was to be conducted and completed during the month of October by Consultants INLANDSIS with the collaboration with TJCM (Table jamésienne de concertation minière). The sampling used a spacing of 200 m and the program is designed along a line perpendicular to the ice flow direction as well as down-ice from the interpreted Chechoo-Éléonore corridor. This survey is oriented in a NW-SE direction within the Project's claims and included a quality control program.

On November 3, 2016, Sphinx announced the completion of the field component of the 2016 exploration program on the Project.

It is anticipated that both the visual examination and analytical results will be available in early 2017. This will be followed by the planning of the 2017 field work. The work will be done in the areas that have returned the best results.

3.2 Calumet-Sud project

a) Project description

The Calumet-Sud project was acquired in 2015 from Gardin Inc. ("Gardin"). In August 2016, the Corporation issued 1,923,077 shares valued at \$76,923 based on the Exchange share price of \$0.04 on the date of the share issuance. The Corporation must issue a further 2,842,231 common shares to Gardin and comply with certain conditions.

On March 25, 2016, the Corporation signed an option and joint venture agreement with SOQUEM to grant SOQUEM the option to acquire an undivided 50% interest in the Calumet-Sud project. SOQUEM will be the operator during the option period. Upon the exercise of the option, a joint venture would be created between the Corporation and SOQUEM.

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3. EXPLORATION PROJECTS (CONT'D)

Before March 31, 2016, SOQUEM paid \$93,000 to Gardin and \$7,000 to the Corporation. Also, SOQUEM must fund \$450,000 in exploration expenditures as follows:

	Work	
	Commitment	Completed
	\$	\$
On or before February 27, 2017	100,000	69,098
On or before August 31, 2018	150,000	-
On or before February 28, 2020	200,000	-
Total	450,000	69,098

b) Exploration work on the project

In June 2016, a first detailed helicopter-borne geophysical survey was flown on the Calumet-Sud and Green Palladium projects. The survey was conducted jointly by SOQUEM and Sphinx. On the Calumet-Sud project, the survey identified several new electromagnetic anomalies not previously detected at a distance of 2 to 3 km south-southeast of the former-producing New Calumet mine (production of 3.8 million tonnes 5.8% Zn, 1.6% Pb, 65 g/t Ag and 0.4 g/t Au from 1943 to 1968). The area of these new electromagnetic anomalies includes a strong lead-zinc anomaly in soils 300 m in length and the area where high levels of zinc were measured in samples from trenches dug in 2014.

In addition, the interpretation of the magnetic survey data suggests the following in relation to platinum group elements ("PGE") potential on the two projects:

- the extension to the southwest onto the Calumet-Sud project of the platinum group elements-bearing 'reef' discovered by the Corporation on its Green Palladium project and hosted in the Obwondiag layered igneous complex (see press release dated June 18, 2015); and
- the presence of four kilometeric scale target zones within the complex, appear to define two or possibly three potential horizons of interest for PGE which are open in all directions. The complex is covered by both the Green Palladium and Calumet-Sud projects.

The survey covered 636 line-km with flight lines spaced at 100 m and includes the Calumet Nord project (adjacent, 100% owned by Ressources Tranchemontagne, a wholly owned subsidiary of Gardin, and optioned to SOQUEM).

On December 20, 2016, Sphinx reported new and positive results for zinc and lead from a geochemical soil sampling program on the Calumet-Sud project. These results were obtained in follow-up of the HELITEM30C MULTIPULSE™ airborne survey completed earlier this year. Both the Sonny Zone and a new parallel zone (the "Sonny West Zone"), located 150 m west of the Sonny Zone, are delineated by strongly anomalous values in soil for zinc and lead. The Sonny Zone discovery was initially reported in the press release dated June 25, 2015. Both zones are untested by drilling.

The combined soil sampling data from the Sonny and Sonny West zones comprised 1,034 soil samples (B Horizon) over an area totalling approximately 0.8 km². Sampling and analytical protocols are comparable and consist of a spacing of 100 m by 100 m regionally and approximately 25 m by 25 m in and between the two zones. Sampling has not been conducted to the south of the anomalous area.

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3. EXPLORATION PROJECTS (CONT'D)

Significant results for the Sonny Zone, identified in 2014 are as follows:

- Salient zinc values above 1,000 ppm delineate an anomalous area measuring at least 300 m in strike length and 150 m in width, with a peak value of 15,600 ppm zinc (1.57%); and
- A number of one-metre long channel samples (the true thickness of the mineralization cannot be determined) in carbonate rocks that returned: Trench #1 - 1.9% Zn over 5 m, 3.7% Zn over 4 m, including 5.4% Zn over 2 m and Trench #2 - 3% Zn over 10 m including 6.9% Zn over 1 m.

The new Sonny West Zone is characterized as follows:

- Highly anomalous zinc (90 values >2,000 ppm Zn) and lead (14 values >200 ppm Pb) in soils form an anomalous area 1,800 m in strike length and a width ranging 150 to 300 m, with a peak value of 37,200 ppm Zn (3.7%);
- The zone is coincident with anomalous resistivity (high and low responses) and two parallel trends of electromagnetic conductors identified by the 2016 airborne survey;
- Disseminated sphalerite in carbonate bed rock has been identified at one location; and
- Soil geochemical anomalies are consistent with the orientation of the carbonate rock strata. These strata are generally oriented north-south and have a shallow dip towards the east. These strata are folded isoclinally, which explains the repetition of the Sonny and Sonny West zones in two parallel north-south bands.

These geochemical anomalies are new and have not been drilled. The two above mentioned zones are parallel and have a north-south trend consistent with the orientation of the bed rock in the area and the 2016 airborne survey responses. The area is covered by a veneer of soil and weathered bedrock. The two zones are hosted in metamorphosed carbonate host rocks.

Sphinx and SOQUEM have undertaken a ground gravity and induced polarization survey on the Sonny Zone and Sonny West Zone zinc targets. These geophysical surveys aim to identify the best targets for a drill program in the winter or during the late winter and spring of 2017.

3.3 Green Palladium project

a) Project description

The Corporation must satisfy the following exploration commitments as per the March 12, 2015 definitive agreement, failing which the project will be returned to Gardin:

	Work	
	Commitment	Completed
	\$	\$
On or before January 20, 2016	50,000	50,000
On or before January 20, 2017	100,000	100,000
On or before January 20, 2018	600,000	318,634
Total	750,000	468,634

b) Exploration work on the project

To share costs the helicopter-borne survey operated by SOQUEM for the Calumet-Sud project also covered the Green Palladium project and the Calumet-Nord project (636 line-km). Results are pending. Calumet-Nord is 100% owned by Ressources Tranchemontagne and was recently optioned to SOQUEM.

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3. EXPLORATION PROJECTS (CONT'D)

On November 1, 2016, Sphinx announced new PGE targets on its 100% owned Green Palladium project located in the Pontiac Regional County Municipality of southern Quebec, including the extension of the stratabound PGE reef discovered in 2015. The targets have been identified following the recent completion of a rock and soil sampling program. The original Green Palladium discovery horizon, which returned 3.44 g/t Pd (2.46 g/t) +Pt (0.23 g/t) +Au (0.25 g/t) over 40 cm (true width could not be determined) in drillhole GPd-15-01 (see press release of June 18, 2015) is now extended over a strike length of 800 m. A new second target area is identified 250m northwest of the original Green Palladium discovery.

New airborne magnetic survey data from the helicopter-borne geophysical survey conducted this summer over the Green Palladium and Calumet-Sud projects was disclosed in the September 7, 2016 press release.

The interpretation of these data suggested:

- the presence of four (4), kilometer-scale target zones within the Obwondiag layered igneous complex that contains the original Green Palladium PGE reef discovery; and
- the definition of two or possibly three potential horizons of interest for PGE which are unexplored.

In September and October 2016, prospecting, soil geochemical sampling and rock sampling programs were performed. A total of 16 rock and 692 soil samples were taken. Anomalous copper, nickel, palladium and platinum values in soil and rock samples show a strong spatial correlation with the magnetic trends identified during the 2016 heliborne geophysical survey. This recent work has led to the identification of new drill targets that can be tested along the 800-metre long PGE reef including deepening certain 2015 drillholes that did not reach the PGE reef.

Exploration in the project area is low cost and benefits from excellent infrastructure and community support.

3.4 Chemin Troilus

a) Project description

On June 4, 2016, the Corporation signed a project acquisition agreement with Les Ressources Tectonic Inc. ("Tectonic") whereby a 100% undivided interest in 24 claims was purchased for the following considerations: issuance of 1,000,000 common shares of the Corporation valued at \$30,000, \$35,000 cash payment and 2% NSR royalty of which 1.5% can be bought back by the Corporation for \$2,000,000. In addition, Sphinx has acquired 35 contiguous claims through map staking. The 59 claims (32.1 km²) are known as the Chemin Troilus project located in the Eeyou Istchee James Bay Territory, Québec. The Project is located 110 km north-northeast of the town of Chibougamau with good road access.

b) Exploration work on the project

The Project is located at the southwest end of a gold-copper corridor trending north-east. This corridor is located at the northern limit of the Frotet-Evans greenstone belt, in the Opatica geological subprovince of the Superior Province and includes the Troilus Mine. The Project consists of 61 claims (33.2 km²). It is located 110 km north-north-west of the town of Chibougamau along existing road access to the Troilus Mine and therefore exploration can be carried out at a low cost.

The discovery of the Troilus Mine located 25 km north-east of the Project was also the result of follow-up prospecting of mineralized boulders. The mine was previously operated by Inmet Mining Corporation from 1997 to 2010 and produced more than 2 million ounces of gold and 70,000 tonnes of copper. The Troilus Mine is currently held by Sulliden Mining Capital Inc. ("Sulliden") who have released a recent, indicated mineral resource estimate of 44 million tonnes containing 1.27 g/t Au and 0.12% Cu (Sulliden's press release dated May 25, 2016). The mineralization hosted at the Troilus Mine is not necessarily indicative of the mineralization hosted on the Corporation's Project.

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3. EXPLORATION PROJECTS (CONT'D)

On January 10, 2017, the Corporation announced the results of the 2016 exploration program carried out on the Chemin Troilus project. The presence of anomalous counts of morphologically pristine gold grains in till samples collected at the head of a gold-bearing boulder dispersal train suggest a proximal common source in an area of 1.2 by 1.0 km up-ice of the head of a boulders dispersal train.

A total of 47 till samples and 28 rock samples were taken upstream and laterally from the area identified by mineralized boulders discovered in 2015 (see June 13, 2016 press release).

Till samples weighing about 12 kg were collected at a depth of about 1.2 meters. The samples are from the following areas:

- 13 samples in the immediate area of the mineralized boulders taken at a maximum distance of 300 m northeast of the boulders and with a sample spacing of less than 100 meters;
- 16 samples on lines 500 m and 1,200 m northeast of the mineralized boulders with a sample spacing at approximately 300 m intervals on lines spaced 500 to 800 m apart and oriented perpendicular to the direction of glacial transport;
- 10 samples along the Troilus Mine road in the northeast area of the Project, 3 km northeast of the boulder train with a spacing of approximately 300 meters; and
- 8 samples in other lateral areas to the dispersion train of the mineralized boulders.

Gold grains were recovered from 47 till samples and a total of 34 samples contain one or more grains larger than 50 microns, 8 of which are described as "pristine". Pristine grains are generally interpreted as derived from sources proximal to the primary source.

Prospecting has discovered a new sub-angular block of approximately 1 m³ in size that returned an assay of 0.62 g/t Au. It is located approximately 50 m northeast of the head of the dispersal train identified in 2015. The boulder is slightly magnetic and contains 1 to 2% pyrite. Previous prospecting conducted in 2015 by Tectonic identified 13 mineralized blocks in an area of 220 m by 45 m oriented northeast within in the corridor and returned values up to 1.57 g/t Au.

The Corporation believes that the results of the 2016 exploration campaign are very encouraging and define a prospective area of 1.2 by 1.0 km upstream of the head of the dispersion train of mineralized boulders and till samples containing pristine gold grains. On the basis of these results, the Corporation plans to carry out field work in 2017, including a magnetic survey and an induced polarization survey. The objective of these surveys is to discover the primary source of the mineralized blocks through definition of targets that can be tested by drilling.

3.5 Somanike "Ni-Cu-PGE"

a) Project description

The Somanike project comprises 95 claims. The Corporation must complete the following exploration work on 7 of the 86 claims according to the June 15, 2015 (amended on June 7, 2016) definitive agreement, failing which the project will be returned to Globex Mining Enterprises Inc. ("Globex"):

	Work	
	Commitment	Completed
	\$	\$
On or before June 15, 2018	300,000	4,600
On or before June 15, 2019	100,000	-
On or before June 15, 2020	100,000	-
Total	500,000	4,600

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3. EXPLORATION PROJECTS (CONT'D)

b) Exploration work on the project

On the basis of the results obtained to date, Sphinx has designed a follow-up exploration program which includes drilling of high priority targets and is actively seeking a partner to fund such program.

4. RESULTS OF OPERATIONS

General and administration expenses details are as follows:

	Three months ended November 30,		Nine months ended November 30,	
	2016	2015	2016	2015
	\$	\$	\$	\$
Directors fees	12,000	12,000	36,000	30,000
Filing and transfer agent fees	13,999	20,894	30,399	41,579
Management fees	14,899	(13,325)	50,315	36,809
Office and miscellaneous	9,499	5,012	25,304	22,057
Professional fees	10,904	(3,703)	50,235	66,452
Promotion	31,808	814	49,893	52,297
Salaries and benefit	36,182	(64,518)	98,943	71,438
Share-based payments	88,450	171	88,450	1,890
Travel	9,360	919	14,578	10,120
General and administration	227,101	(41,736)	444,117	332,642

Finance costs details are as follows:

	Three months ended November 30,		Nine months ended November 30	
	2016	2015	2016	2015
	\$	\$	\$	\$
Provision on promissory note receivable	-	-	85,000	-
Accretion sublease reserve	254	408	762	1,224
Accretion of convertible debentures	6,040	23,840	36,723	46,385
Issuance costs on convertible debentures	1,287	1,287	3,861	3,861
Common shares issued in lieu of interest payment on convertible debentures	-	-	-	22,438
Accrued interest on convertible debentures	19,679	-	42,719	-
Interest paid and accrued on loan payable	-	5,624	-	16,877
Interest accrued on tax credits payable	-	5,558	-	38,712
Finance costs	27,260	36,717	169,065	129,497

In YTD Q3-17, the Corporation reported a loss of \$959,147 (\$1,336,465 in YTD Q3-16) and still maintains tight control on general and administrative expenses.

January 16, 2017

(s) Normand Champigny

Normand Champigny
Chief Executive Officer

(s) Ingrid Martin

Ingrid Martin
Chief Financial Officer