TORQ RESOURCES

(Formerly Stratton Resources Inc.)

MANAGEMENT'S DISCUSSION AND ANALYSIS
OF THE COMPANY'S CONSOLIDATED
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the three months ended March 31, 2017

Dated: May 30, 2017

1.1 Date and forward-looking statements

This Management Discussion and Analysis ("MD&A") of Torq Resources Inc. (formerly Stratton Resources Inc.) (the "Company" or "Torq") has been prepared by management to assist the reader to assess material changes in the financial condition and results of operations of the Company as at March 31, 2017 and for the three months then ended. This MD&A should be read in conjunction with the condensed consolidated interim financial statements of the Company for the three months ended March 31, 2017 and 2016 and the notes thereto, as well as the annual audited consolidated financial statements of the Company for the years ended December 31, 2016 and 2015. All financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS" or "GAAP") and all dollar amounts presented are Canadian dollars unless otherwise stated.

The effective date of this MD&A is May 30, 2017.

This MD&A may contain "forward-looking statements" which reflect the Company's current expectations regarding the future results of operations, performance and achievements of the Company, including but not limited to statements with respect to the Company's plans or future financial or operating performance, the estimation of mineral reserves and resources, conclusions of economic assessments of projects, the timing and amount of estimated future production, costs of future production, future capital expenditures, costs and timing of the development of deposits, success of exploration activities, permitting time lines, requirements for additional capital, sources and timing of additional financing, realization of unused tax benefits and future outcome of legal and tax matters.

The Company has tried, wherever possible, to identify these forward-looking statements by, among other things, using words such as "anticipate," "believe," "estimate," "expect", "budget", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

The statements reflect the current beliefs of the management of the Company, and are based on currently available information. Accordingly, these statements are subject to known and unknown risks, uncertainties and other factors, which could cause the actual results, performance, or achievements of the Company to differ materially from those expressed in, or implied by, these statements. These uncertainties are factors that include but are not limited to risks related to international operations; risks related to general economic conditions and credit availability; actual results of current exploration activities, unanticipated reclamation expenses; fluctuations in prices of base and precious metals; fluctuations in foreign currency exchange rates, increases in market prices of mining consumables; accidents, labour disputes, title disputes, claims and limitations on insurance coverage and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, changes in national and local government regulation of mining operations, tax rules and regulations, and political and economic developments in countries in which the Company operates, as well as other factors. Additional information relating to the Company and its operations is available on SEDAR at www.sedar.com and on the Company's web site at www.torqresources.com.

The Company's management reviews periodically information reflected in forward-looking statements. The Company has and continues to disclose in its Management's Discussion and Analysis and other publicly filed documents, changes to material factors or assumptions underlying the forward-looking statements and to the validity of the statements themselves, in the period the changes occur.

Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations.

Three months ended March 31, 2017 Expressed in Canadian Dollars

1.2 Over-all performance

1.2.1 Description of business

Torq is a junior exploration company focused on the acquisition, exploration and development of mineral resource properties. On March 15, 2017, the Company changed its name from Stratton Resources Inc. to Torq Resources Inc. The Company is incorporated under the Business Corporations Act (British Columbia) and is a reporting issuer in British Columbia, Alberta and Ontario. The Company is listed on the TSX Venture Exchange ("the Exchange") as a Tier 2 mining issuer, and its shares trade under the symbol TORQ.V.

As at the date of this MD&A, the organizational structure of Stratton is as follows:

Subsidiary	Place of incorporation	Beneficial Interest
Stratton Resources (Canada) Ltd.	BC, Canada	100%
Gecon OOD	Bulgaria	100%
Archelaus Resources DOOEL (inactive)	Macedonia	100%
Balakros Resources DOOEL (inactive)	Macedonia	100%

1.2.2 Newfoundland option

On November 3, 2016, the Company announced that it has entered into an option agreement with Wildwood Exploration Inc. to acquire the rights to approximately 119,000 hectares in Newfoundland, Canada (the "Option"). Under the terms of the Option, the Company may acquire a 100% interest, subject to a NSR royalty, in 4,777 mineral claims through a combination of work expenditures and cash and share payments as listed in the table below:

Due dates	Cash Payments	Torq Common Shares	Work Expenditures
Upon approval of the TSX Venture Exchange (PAID)	$ 75,000	100,000	$ -
On or before October 28, 2017	150,000	200,000	250,000
On or before October 28, 2018	200,000	250,000	500,000
On or before October 28, 2019	250,000	400,000	500,000
On or before October 28, 2020	175,000	500,000	1,000,000
On or before October 28, 2021	-	1,750,000	-
Total	$ 850,000	3,200,000	$ 2,250,000

The NSR is 2.0% with 50% (being 1.0%) buyable for $3,000,000 any time.

As at March 31, 2017, the Company incurred $463,044 in exploration expenditures on the project thereby fully meeting and exceeding the work expenditures requirement until October 28, 2017.

Exploration results

During the forth quarter of 2016, the Company conducted an initial survey of the mineral claims that included:

- A reconnaissance-scaled glacial till sampling program designed to provide systematic geochemical coverage over areas of the properties considered prospective for buried mineralized systems; and
- Preliminary boulder float and in-place outcrop documentation including random grab sample collection for analytical work.

A total of 1,027 till samples were collected which have help identify a number of areas within the property with anomalous gold values. For full results of the 2016 program, please refer to the Company's technical report dated March 1, 2017 available on SEDAR.

Three months ended March 31, 2017 — Expressed in Canadian Dollars

1.2.3 Gecon investment agreement

Effective November 16, 2016, pursuant to an investment agreement, the Company acquired a beneficial interest in 100% of the capital of a Bulgarian shell company, Gecon OOD ("Gecon"), for the purposes of establishing mineral exploration operations in the country. Pursuant to the investment agreement between the Company and Gecon's former shareholder, the Company will pay a minimum of USD 50,000 and a maximum of USD 200,000 at any time within a 3-year period of signing the investment agreement in exchange for its beneficial interest in Gecon.

The Gecon financial liability was revalued at March 31, 2017 to $216,207 with the change in fair value of $2,265 since December 31, 2016 recognized in the comprehensive statement of loss.

1.2.4 Mineral property expenditures

During the three months ended March 31, 2017, the Company incurred $nil in mineral property acquisition costs and $74,092 in exploration and evaluation expenditures as follows:

		Newfoundland
Balance as at December 31, 2016	**$**	**605,232**
Additions during the period:		
Exploration and evaluation costs		
Drilling and sampling		40,469
Logistics		11,902
Project support cost		6,707
Wages and consultants		14,914
Total additions for the period		74,092
Balance as at March 31, 2017	**$**	**679,324**

1.3 Selected annual information

The following represents selected information of the Company for the three most recently completed financial years:

	2016	2015	2014
Net loss for the year	$ (660,499)	$ (460,357)	$ (132,887)
Total comprehensive loss for the year	$ (661,532)	$ (460,357)	$ (132,887)
Basic and diluted loss per share	(0.02)	(0.01)	(0.00)
Working capital	5,553,663	(414,442)	(279,419)
Total assets	6,792,568	223,518	687,456
Total long term liabilities	-	-	-
Shareholder's equity	(5,940,423)	(414,442)	45,915
Cash dividends per share	-	-	-

The Company generated no revenues from operations during the fiscal periods ended December 31, 2016 and 2015, other than interest income of $10,872 and $1,714 respectively.

Three months ended March 31, 2017 Expressed in Canadian Dollars

1.4 Results of operations

The three months ended March 31, 2017 and 2016

Net loss for the three months ended March 31, 2017 was $292,938 compared to a net loss of $25,407 for the same period in the previous year.

Significant variance are discussed as follows:

- During the three months ended March 31, 2017, the Company incurred $217,664 in administrative expenses compared with $26,120 in same period in 2016. This increase is attributable to additional administrative wages and office, administration and legal costs in support of the Newfoundland and Bulgarian operations and project investigation activities. Costs in the same period for the prior period did not yet include any support for the Newfoundland Project or Bulgarian operations.
- Total project investigation costs for the three months ended March 31, 2017 were $111,943 compared to $nil in the comparative period. These costs were incurred in connection with investigation of potential mineral property acquisitions in Canada, US and Southeastern Europe.

1.5 Summary of quarterly results

The Company is a mineral exploration company and currently has no producing properties or operating income. However, the Company records interest earned on cash balances held at financial institutions, which depends upon cash balances available to fund its acquisition and exploration activities and administrative expenses. A summary of quarterly results is shown below:

Quarter ended	Interest and other income	Net loss	Total Comprehensive loss	Loss per share
	$	$	$	$
March 31, 2017	15,812	292,938	295,089	0.00
December 31, 2016	9,998	564,802	565,826	0.01
September 30, 2016	321	35,098	35,098	0.00
June 30, 2016	57	35,192	35,192	0.00
March 31, 2016	496	25,407	25,407	0.00
December 31, 2015	550	37,152	37,152	0.00
September 30, 2015	870	342,343	342,343	0.01
June 30, 2015	294	43,916	43,916	0.00
March 31, 2015	-	36,946	36,946	0.00

Up until September 30, 2016, the quarters ended in 2016 and 2015, except for the quarter ended September 30, 2015, show decreasing net loss and comprehensive loss over previous periods due to management's efforts to reduce administration expenses. During the quarter ended September 30, 2015, the Company recorded a write-off of $325,334 related to the Company's decision to let lapse the claims of the Lunar project. During the quarters ended December 31, 2016 and March 31, 2017, the Company incurred increasing net losses, which reflect a ramp up of project investigation activities and support costs. In addition, the quarter end December 31, 2016 included the one-time Gecon startup costs.

1.6 Liquidity and capital resources

The Company finances its operations by raising capital in the equity markets. For the foreseeable future, the Company will need to rely on the sale of its securities to provide working capital and to finance its mineral property acquisition and exploration activities.

As at March 31, 2017, the Company had cash of $18,067,430 and working capital of $17,713,974 compared to cash of $5,864,033 and a net working capital deficit of $5,335,191 as at December 31, 2016.

Three months ended March 31, 2017 Expressed in Canadian Dollars

1.6 Liquidity and capital resources (continued)

The cash balance of $18,067,430 as at March 31, 2017 is sufficient to meet the cash requirements for the Company's administrative overhead and maintaining its mineral interests for the next twelve months.

Effective June 30, 2013, UMS agreed to settle historic payable balances totaling $609,388 with a note payable for an equivalent value. The note payable was repaid in full effective August 30, 2016, with funds from a private placement completed in August 2016 (see 1.8).

Common share issuances

On February 27, 2017, the Company closed a private placement for gross proceeds of $13,195,000 (the "February 2017 Placement") pursuant to which the Company issued an aggregate of 20,300,000 common shares at a price of $0.65 per common share. Share issue costs related to the February 2017 Private Placement, which included commissions and professional and regulatory fees, totalled $447,036.

<table>
<tr><th colspan="2">Intended Use of Proceeds of
February 2017 Private Placement</th><th colspan="2">Actual Use of Proceeds to
March 31, 2017</th><th>(Over)/under
expenditure</th></tr>
<tr><td>Offering Expenses</td><td>$447,036</td><td>Offering Expenses</td><td>$447,036</td><td>-</td></tr>
<tr><td rowspan="2">Project Acquisition and exploration</td><td rowspan="2">$10,747,964</td><td>Acquisition of Newfoundland project and exploration</td><td>-</td><td rowspan="2">$10,747,964</td></tr>
<tr><td>Other project investigation costs (including Gecon startup costs)</td><td>-</td></tr>
<tr><td>Administration and general working capital</td><td>$2,000,000</td><td>-</td><td>-</td><td>$2,000,000</td></tr>
<tr><td>Total</td><td>$13,195,000</td><td>Total</td><td>$447,036</td><td>$ 12,747,964</td></tr>
<tr><td colspan="2">Explanation of variances and the impact of variances on the ability of the Company to achieve its business objectives and milestones</td><td colspan="3">Up until March 31, 2017, the Company's expenditures were from existing treasury including the proceeds from the August 2016 Placement</td></tr>
</table>

On August 30, 2016, the Company closed a private placement for gross proceeds of $7,000,000 (the "August 2016 Placement") pursuant to which the Company issued an aggregate of 20,000,000 common shares at a price of $0.35 per common share. Share issue costs related to the Private Placement, which included professional and regulatory fees, totalled $43,612. There were no commissions or brokerage fees paid in connection with the Private Placement.

Three months ended March 31, 2017 Expressed in Canadian Dollars

1.6 Liquidity and capital resources (continued)

<table>
<tr><th colspan="2">Intended Use of Proceeds of
August 2016 Private Placement</th><th colspan="2">Actual Use of Proceeds from September 1, 2016
To March 31, 2017</th><th>(Over)/under
expenditure</th></tr>
<tr><td>Offering Expenses</td><td>$43,612</td><td>Offering Expenses</td><td>$43,612</td><td>-</td></tr>
<tr><td rowspan="2">Project Acquisition and exploration</td><td rowspan="2">$4,956,388</td><td>Acquisition of Newfoundland project and exploration</td><td>$528,936</td><td rowspan="2">$4,041,562</td></tr>
<tr><td>Other project investigation costs (including Gecon startup costs)</td><td>$385,890</td></tr>
<tr><td>Administration and general working capital</td><td>$2,000,000</td><td>-</td><td>$ 909,104</td><td>$1,090,896</td></tr>
<tr><td>Total</td><td>$7,000,000</td><td>Total</td><td>$1,867,542</td><td>$ 5,132,458</td></tr>
<tr><td colspan="2">Explanation of variances and the impact of variances on the ability of the Company to achieve its business objectives and milestones</td><td colspan="3">The Company's has only expended a proportion of the funds raised through the placement.</td></tr>
</table>

1.7 Off-balance sheet arrangements

The Company has not engaged in any off-balance-sheet arrangements such as obligations under guarantee contracts, a retained or contingent interest in assets transferred to an unconsolidated entity, any obligation under derivative instruments or any obligation under a material variable interest in an unconsolidated entity that provides financing, liquidity, market risk or credit risk support to the Company or engages in leasing, hedging or research and development services with the Company.

1.8 Related party transactions

All transactions with related parties have occurred in the normal course of operations and are measured at their fair value as determined by management. All amounts are unsecured, non-interest bearing and have no specific terms of settlement, unless otherwise noted.

	Three months ended March 31, 2017	2016
Universal Mineral Services Ltd.		
Included in the statement of loss and comprehensive loss:		
Bank charges	$571	$ 142
Consulting fees, directors' fees, wages and benefits	38910	8,541
Office, rent and administration	34,913	9,067
Project evaluation costs	31,675	-
Regulatory, transfer agent and shareholder information	730	-
Capitalized to mineral property interest:		
Newfoundland project	6,442	-
Total transactions for the years	$ 113,241	$17,750

Universal Mineral Services Ltd., ("UMS") is a private company with directors and officers in common that, pursuant to an agreement dated December 30, 2015, provides office space and administrative services to the Company on a cost recovery basis. The outstanding balance owing at March 31, 2017 was $40,807 (December 31, 2016 - $30,388) and prepaid expenses and deposits balance was $50,000 (December 31, 2016 - $31,000).

Three months ended March 31, 2017 Expressed in Canadian Dollars

1.8 Related party transactions (continued)

Key management compensation

In addition to the transactions disclosed above, the Company provided the following compensation to key management members:

	Three months ended March 31, 2017	2016
Short-term benefits	$ 53,580	$ -

1.9 Subsequent event

None.

1.10 Proposed transactions

None.

1.11 Critical accounting estimates

This section is not required as the Company is a Venture Issuer, as the term is defined in National Instrument 51-102 *Continuous Disclosure Obligations*.

1.12 Changes in accounting policies not yet effective

The following standards and interpretations have been issued but are not yet effective as of March 31, 2017. The Company did not adopt early any of these standards.

Revenue Recognition

In May 2014, the IASB issued IFRS 15 – Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programs, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a single five-step model framework for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The standard is currently mandatory for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company does not expect the adoption of this standard to impact its financial statements, as currently the Company does not earn revenues.

Financial instruments

In July 2014, the IASB issued the final version of IFRS 9 – Financial Instruments ("IFRS 9") to replace IAS 39 – Financial Instruments: Recognition and Measurement. IFRS 9 provides a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected loss" impairment model. IFRS 9 also includes a substantially reformed approach to hedge accounting. The standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company is currently evaluating the impact of the adoption of this standard on its consolidated financial statements.

Leases

In January 2016, the IASB published a new accounting standard, IFRS 16 – Leases ("IFRS 16") which supersedes IAS 17 – Leases. IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value. The standard is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted if IFRS 15, has also been applied. The Company does not have any material lease agreements and does not expect the adoption of this standard to materially impact its consolidated financial statements.

1.13 Financial instruments and other instruments

As at March 31, 2017, the Company's financial instruments consist of cash, amounts receivable, trade payables and other and Gecon financial liability. The fair values of cash, amounts receivable, trade payables and other approximate their carrying values due to their short-term to maturity.

As at March 31, 2017 and December 31, 2016, the only financial instruments measured at fair value was the Gecon financial liability which is classified under level 3 of the fair value hierarchy. The Gecon financial liability was revalued at March 31, 2017 to $216,207 with the change in fair value since December 31, 2016 recognized in the comprehensive statement of loss.

The Company's financial instruments are exposed to certain financial risks including, credit risk, currency risks, liquidity risk, interest rate risk and capital risk management. Details of each risk are laid out in the notes to the Company's condensed consolidated interim financial statements.

1.14 Other requirements

1.14.1 Capital structure

Authorized share capital consists of: Unlimited number of common shares without par value.

Issued share capital:

As at May 30, 2017, there are 77,124,164 common shares of the Company issued and outstanding.

As at March 31, 2017, there were 77,124,164 common shares of the Company issued and outstanding.

As at May 30, 2017 and March 31, 2017 there were no share purchase options and warrants outstanding.

1.14.2 Disclosure controls and procedures

As defined in National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings, disclosure controls and procedures require that controls and other procedures be designed to provide reasonable assurance that material information required to be disclosed is duly gathered and reported to senior management in order to permit timely decisions and timely and accurate public disclosure.

Management of the Company, with the participation of the Chief Executive Officer and the Chief Financial Officer, have evaluated the design of the Company's disclosure controls and procedures and the design of internal controls over financial reporting as required by Canadian securities laws, and have concluded that such procedures are adequate to ensure accurate and complete disclosures in public filings.

Management is responsible for the establishment and maintenance of a system of internal control over financial reporting. This system has been designed to provide reasonable assurance that assets are safeguarded and that the financial reporting is accurate and reliable. The condensed consolidated interim financial statements have been prepared by management in accordance with IFRS and in accordance with accounting policies set out in the notes to the consolidated financial statements for the years ended December 31, 2016 and 2015.

There are inherent limitations in all control systems and no disclosure controls and procedures can provide complete assurance that no future errors or fraud will occur. An economically feasible control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Note: As a Venture Issuer, the Company is not required to certify the design and evaluation of the issuer's disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR") and has not completed such an evaluation; and there are inherent limitations on the ability of Management to design and implement on a cost effective basis DC&P and ICFR for the Company which may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports required under securities legislation.

1.14.2 Disclosure controls and procedures (continued)

Additional disclosures pertaining to the Company's Management information circulars, material change reports, press releases and other information are available on the SEDAR website at www.sedar.com.

On behalf of the Board of Directors,

"Michael Kosowan"
Michael Kosowan
President and Chief Executive Officer
May 30, 2017