GREATBANKS RESOURCES LTD.

REPORT TO SHAREHOLDERS AND MANAGEMENT DISCUSSION AND ANALYSIS

OF THE FINANCIAL POSITION AND RESULTS OF OPERATIONS

FOR THE SIX MONTHS ENDED JANUARY 31, 2017

Dated: April 3, 2017

GREATBANKS RESOURCES LTD.

Canadian Funds

MANAGEMENT DISCUSSION AND ANALYSIS

TO OUR SHAREHOLDERS:

This Management's Discussion and Analysis ("MD&A") supplements, but does not form part of, the financial statements of Greatbanks Resources Ltd. ("Greatbanks" or the "Company") and the notes thereto for the six month period ended January 31, 2017. Consequently, the following discussion and analysis of the financial condition and results of operations for the Company should be read in conjunction with the condensed interim financial statements for the period ended January 31, 2017 and the audited financial statements for the year ended July 31, 2016, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), consistently applied.

Discussion of the Company, its operations and associated risks is further described in the Company's filings, available for viewing at www.sedar.com. A copy of this MD&A will be provided to any applicant upon request.

Forward looking statements

Certain statements contained in the following MD&A and elsewhere constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth in the Company's filings and herein.

The table below sets forth the significant forward-looking information included in this MD&A:

Forward-Looking Information	Key Assumptions	Most Relevant Risk Factors
Future funding for ongoing operations	The Company will be able to raise these funds.	Failure to raise these funds will materially impact the Company's ability to continue as a going concern

General

The Company was incorporated in the Province of British Columbia on December 20, 1996. The Company's Registered and Records Office is at Suite 41st Floor – 66 Wellington Street West, Toronto, Ontario, Canada.

Highlights, significant events and transactions

In October 2016 the Company's shares were moved from the NEX board to the TSX Venture Exchange.

During the current fiscal year, the Company entered into a consulting agreement with a company controlled by a Director. If the contract is terminated by the Company without cause, the Company is obligated to pay a termination fee of $78,336.

MANAGEMENT DISCUSSION AND ANALYSIS

Events subsequent to January 31, 2017

In March 2017, the Company issued 31,285,637 units at $0.055 per unit with each unit consisting of one share and one share purchase warrant. Each warrant is exercisable into one common share at $0.08 per share for a period of 2 years. Gross proceeds were 1,720,710. Finders' fees of $41,184 were paid and the Company issued 748,000 non-transferrable share purchase warrants entitling the holder to purchase one common share at $0.08 per share for a period of 2 years.

The Company signed a Letter of Intent ("**LOI**") to establish a joint venture company ("**JVC**") with Ironstone Resources Ltd. with ownership on a 50/50 basis. Ironstone's primary assets include its poly-metallic iron/vanadium rich ore and lithium rich formation brines in the Clear Hills area of N.W. Alberta, Canada. The JVC is intended to cover the development of Lithium carbonate extracted from Devonian-age lithium bearing brines that will be pre-concentrated using a patented and exclusively licensed technology. The LOI provides for the Company to contribute up to $2 million to the JVC over a term to be agreed to by the parties which will coincide with the terms of commercial development for lithium carbonate. Ironstone will contribute the rights to all metallic and industrial minerals extracted from formation brines underlying approximately 180,000 hectares of permits and leases in the Clear Hills region of Alberta, Canada. Ironstone will also convey a Technology License Agreement held with a third-party company to the JVC. The Technology License Agreement allows for the exclusive use and global distribution of a proprietary process to rapidly and economically pre-concentrate lithium from brines prior to the refinement into lithium carbonate. Greatbanks and Ironstone have extended dates to complete a definitive agreement and the expectation is that the agreement will be concluded soon. The proposed transaction contained will be subject to approval by the TSX Venture Exchange.
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Windy Property

In June 2016 the Company completed the acquisition of a mineral property, the Windy Claims which comprise 1,319.08 hectares and is located in the Cassiar District of the Province of British Columbia. Based on the Company's review of historical data and technical analysis, the Company has concluded that the Windy Claims were worthy of further exploratory work, and completed a National Instrument 43-101 compliant technical report. The claim is located approximately 15 km north of the old town site of Cassiar, British Columbia). The claim lies northwest of the historical Cassiar Asbestos Mine. Access to the claim group is via an all-weather paved road from Highway 37 west to the old town site of Cassiar, BC. The property is an early stage exploration. It is the opinion of the author that the favorable geological setting and results of the work done to date by previous parties show that the Windy Property has the potential to host economic mineralization.

RESULTS OF OPERATIONS

The increased loss for the period ended January 31, 2017 is due to the increased size of the management team resulting in additional management fees, stock based compensation expense as a result of incentive stock options granted during the period and also higher legal and audit fees.

Results of operations

The comprehensive loss for the three month period ended January 31, 2017 was $278,299 which compares to a comprehensive loss of $242,562 during the same period in 2016.

MANAGEMENT DISCUSSION AND ANALYSIS

The main fluctuations in costs are as follows:

	6 Months 2017	6 Months 2016	**3 Months 2017**	3 Months 2016
Management Fees (Rounded)	**$ 246,466**	$ 186,000	**$ 121,233**	$ 93,000
Variance - increase (decrease)	**$ 60,466**		**$ 28,233**	

The increase in management fees compared to the prior period is the result of an addition to the management team.

	6 Months 2017	6 Months 2016	**3 Months 2017**	3 Months 2016
Professional Fees (Rounded)	**$ 33,225**	$ 16,000	**$ 13,225**	$ 8,000
Variance - increase (decrease)	**$ 17,225**		**$ 5,225**	

The increase in professional fees compared to the prior period is due to legal fees associated increased activity and with the Company's efforts to re-list on the TSX Venture Exchange.

	6 Months 2017	6 Months 2016	**3 Months 2017**	3 Months 2016
Travel and business development	**$ 71,450**	$ 5,297	**$ 46,416**	$ 805
Variance - increase (decrease)	**$ 66,153**		**$ 45,611**	

The increase in travel and business development during the period results from management arranging financing and reviewing addition mineral properties in its efforts to expand the Company. See also subsequent events.

	6 Months 2017	6 Months 2016	**3 Months 2017**	3 Months 2016
Transfer agent and filing fees (Rounded)	**$ 14,597**	$ 4,982	**$ 6,646**	$ 446
Variance - increase (decrease)	**$ 9,615**		**$ 6,200**	

The increase in transfer agent and filing fees during the period is the result of additional activity associated with regulatory fees with increased activity as the Company completed its reactivation.

	6 Months 2017	6 Months 2016	**3 Months 2017**	3 Months 2016
Valuation adjustments - Available-for-sale investments	**$ 20,000**	**$ -**	**$ -**	$ -
Variance - increase (decrease)	**$ 20,000**		**$ -**	

There was an increase in the market value of the Company's investments compared with no change in the same period in the prior year.

	6 Months 2017	6 Months 2016	**3 Months 2017**	3 Months 2016
Stock based compensation	**$ 87,000**	**$ -**	**$ 87,000**	$ -
Variance - increase (decrease)	**$ 87,000**		**$ 87,000**	

The increase is due to the Company issuing incentive stock options during the quarter whereas none were issued in the same period in the prior year.

MANAGEMENT DISCUSSION AND ANALYSIS

Summary of quarterly results

The following table sets out selected unaudited quarterly financial information of the Company and is derived from the unaudited interim financial statements prepared by management. The Company's interim financial statements are prepared in accordance with Canadian generally accepted accounting principles and are expressed in Canadian dollars.

Financial data for last eight quarters

Three Months Ended	Jan-17	Oct-16	Jul-16	Apr-16	Jan-16	Oct-15	Jul-15	Apr-15
Total revenues	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(Gain) loss and comprehensive los	$ 278,299	$ 153,848	$ 115,272	$ 91,886	$ 120,076	$ 122,486	$ 257,242	$ 16,711
(Earnings) loss per share	$ 0.01	$ 0.06	$ 0.01	$ 0.05	$ -	$ 0.03	$ -	$ 0.01

The losses incurred during the 2015 and 2016 fiscal year result primarily from management and compliance related fees.

Outstanding shares

As at January 31, 2017 the Company had 32,159,013 shares outstanding and as at July 31, 2016 the Company had 14,934,545 common shares issued and outstanding. As at July 31, 2016, the fully diluted amount of 57,499,681 represents options of 1,250,000 and warrants of 24,090,668.

Liquidity and capital resources

The Company's working capital deficiency at January 31, 2017 was $785,921, compared with $697,199 at January 31, 2016.

Cash used in operating activities during the six month six month period ended January 31, 2017 was $318,340, compared with $39,675 used during the six month period ended January 31, 2016.

Cash generated in financing activities during the period ended January 31, 2017 totaled $32,212, compared with $Nil during the six month period ended January 31, 2016.

The Company has no recent history of profitable operations. Therefore, it is subject to many risks common to comparable companies, including under-capitalization, cash shortages and limitations with respect to personnel, financial and other resources as well as a lack of adequate revenues.

It will be necessary for the Company to arrange for additional financing to meet its ongoing requirements.

Management believes it will be able to raise equity capital as required in the long term, but recognizes the risks attached thereto. Although the Company has been successful in the past in obtaining financing, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing may be favorable.

MANAGEMENT DISCUSSION AND ANALYSIS

The following table summarized the Company's significant remaining contractual maturities for financial liabilities as at January 31, 2017 and July 31, 2016:

	Less than 3 months	Between 3 and 12 months	Over 12 months	Total
January 31, 2017				
Trade and other payables	$ 408,014	$ 243,000	$ 184,936	$ 835,950
Debentures payable	-	-	-	-
	$ 408,014	$ 243,000	$ 184,936	$ 835,950
July 31, 2016				
Trade and other payables	$ 389,854	$ 415,454	$ -	$ 805,308
Debentures payable	-	12,000	-	12,000
	$ 389,854	$ 427,454	$ -	$ 817,308

CAPITAL MANAGEMENT

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 and exploration of exploration and evaluation 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 Company defines capital that it manages as share capital.

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

The Company is in the business of exploration and evaluation and has no source of operating revenue. Operations are financed through the issuance of capital stock. Capital raised is held in cash in an interest bearing bank account and in guaranteed investment certificates until such time as it is required to pay operating expenses or exploration and evaluation costs. The Company is not subject to any externally imposed capital restrictions. Its objectives in managing its capital are to safeguard its cash and its ability to continue as a going concern, and to utilize as much of its available capital as possible for exploration activities.

RISK FACTORS

Companies face many and varied kinds of risks. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practical. Following is the risk factor most applicable to the Company.

ENVIRONMENTAL

Exploration and development projects are subject to the environmental laws and regulations of the jurisdictions within which the Company is conducting its operations. As such laws are subject to change, the Company carefully monitors proposed and potential changes, and ensures that it is and will be in strict compliance.

Various non-governmental organizations dedicated to environmental protection monitors, amongst others, the mining industry. These organizations have in the past commenced actions with the regulatory agencies or the courts to prevent or delay resource extraction activities.

RELATED PARTY TRANSACTIONS

Related party transactions and balances not disclosed elsewhere in the financial statements are as follows:

Name and Principal Position		January 31 Remuneration of fees (1)	Share-based Awards	Included in Accounts Payable
A Company controlled by the President and CEO -	2017	$ 60,000	$ 24,360	$ 120,000
Management fees	2016	$ 60,000	$ -	$ 30,000
A Company controlled by the Corporate Secretary and CFO -	2017	$ 48,000	$ 24,360	$ 96,000
Management fees	2016	$ 48,000	$ -	$ 48,000
A Company controlled by the Chairman -	2017	$ 6,000	$ 6,960	$ 6,000
Management fees	2016	$ 6,000	$ -	$ 9,000
A Company controlled by the Vice-President -	2017	$ 48,000	$ 17,400	$ 168,000
Management fees	2016	$ 48,000	$ -	$ 48,000
A current director of the Company	2017	$ -	$ 6,960	$ -
	2016	$ -	$ -	$ 3,350
A current director of the Company	2017	$ 80,266	$ 6,960	$ 66,889
	2016	$ -	$ -	$ -

(1) Amounts disclosed were paid or accrued to the related party during the period ended January 31, 2017 and 2016.

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include executive and non-executive directors. During the period ended January 31, 2017 aggregate remuneration of $242,466 (2016 - $162,000) was paid or accrued to key management personnel. During the period ended January 31, 2017, key management personnel and directors were granted 1,250,000 options to purchase shares at $0.10 for a period of 5 years. No share based payments were granted to key management personnel during the period ended January 31, 2016.

There were no payments during the year for short-term employee benefits, post-employment benefits, long-term benefits, termination benefits and share-based payments.

The above transactions are measured at their exchange amount, which is the amount of consideration established and agreed to by the related parties. Amounts due to related parties are unsecured, non-interest bearing and have no fixed term of repayment.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amount and classification of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revisions affect only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

The following are the critical judgments and areas involving estimates, that management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amount recognized in the financial statements: Carrying value of mineral property and, market risk of available-for-sale investments.

INVESTOR RELATIONS ACTIVITIES

With respect to public relations, the Company's policy is to provide information from its corporate offices to investors and brokers directly.

APPROVAL

The Board of Directors of Greatbanks has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

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MANAGEMENT DISCUSSION AND ANALYSIS

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning Greatbanks' general and administrative expenses is provided in the Company's Condensed Interim Statements of Financial Position, Comprehensive Loss, Changes in Deficit and Cash flows contained in its Condensed Interim Financial Statements for January 31, 2017 and January 31, 2016. This information is available on its SEDAR page site accessed through www.sedar.com.

A Cautionary Tale

This document contains "forward-looking information" which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company, its subsidiaries and its projects, the future supply, demand, inventory, production and price of mineral resources, the estimation of reserves and resources, the realization of reserve estimates, the timing and amount of estimated future production, costs of production, capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation operations, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of pending litigation and regulatory matters. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative 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. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward- looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; actual results of reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of resources; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the resource industry; political instability, insurrection or war; delays in obtaining governmental approvals or financing or in the completion of development or construction activities. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Respectfully submitted

On Behalf of the Board of Directors

"Andrew Male"

Andrew Male, President and CEO