EUREKA RESOURCES, INC.

MANAGEMENT DISCUSSION AND ANALYSIS (“MD&A”)

For the three months ended January 31, 2016

PRESIDENT'S MESSAGE

In June 2015, a new management team took over administration of Eureka from Jack O'Neill who had led the Company since its incorporation in 1981.

The new team undertook a review of existing data and recognized the opportunity to re-energize the FG Gold Project located in central British Columbia. Firstly, we updated the previous operator's National Instrument 43-101 compliant technical report on the mineral resource estimates at FG. Secondly, we mounted two campaigns of soil sampling to test the anomalies that are hypothesized to contain the northwest extension of the existing resource. Finally, we engaged SJ Geophysics to process data from a 2007 airborne geophysical survey to further analyse the northwest extension.

The conclusion reached was that the FG mineralized zone is indicated to extend to the northwest an additional three kilometres, although not exactly where previously thought, due to faulting and an off-set that was interpreted from processing of the airborne magnetic survey data. This new hypothesis of the zone extension appears to be confirmed by geochemistry. We have identified a number of areas which require follow up and if our interpretations are correct we will have highly-prospective drill targets for future programs.

FG Gold Project

Future exploration of the FG Gold Project will be designed to achieve the following goals:

- to extend the potential of the Main Zone to the NW at least 4 kilometres;
- to evaluate the deposit as a possible 1.5+g/t underground operation. Exploration to date has focused on an open pit scenario. These higher grade parameters were considered in the 1980's and 1990's;
- to re-examine the area known as the Kusk Grid tying the geophysics to soil sampling with the ultimate objective of extending the mineralized zone to the SE and SW of the Main Zone;
- to evaluate the airborne geophysical data on the south limb of the syncline to indicate a possible extension of the gold bearing horizon in this area; and
- to explore the two magnetic intrusive bodies in the Eureka Bowl area to test what has been hypothesized as porphyry.

Gemini Lithium Project

In January 2016, we entered into an interim agreement with Nevada Sunrise Gold Corporation to acquire a 50% participating interest in the Gemini Lithium Project located in the Lida Valley, Nevada. We are optimistic that this will provide us with an exciting new field of exploration in a sector which has recently experienced large growth in demand. The price increase in lithium is one of the few bright spots the resource industry has seen in some time.

Future exploration of the Gemini Lithium Project is expected include the following:

- a compilation of existing gravity data;
- an interpretation of geophysical data recently collected;
- the integration of the gravity data, aster survey data, geochemistry data and the geophysical data; and
- the identification of high priority drill targets for a drill program in the second half of calendar 2016.

Sincerely,

"Michael Sweatman"

Michael Sweatman, President and CEO

INTRODUCTION

Eureka Resources, Inc. ("Eureka" or "the Company") is an exploration stage company engaged in the acquisition, exploration and evaluation of mineral properties.

Eureka holds a 100% interest in 28 contiguous mineral claims covering 3,933 hectares which comprise the FG Gold Project ("FG"). The claims are located in the Cariboo Mining Division of Central British Columbia, Canada, approximately 100 kilometres east of the City of Williams Lake. The property is accessed from Williams Lake by paved roads and well-maintained logging roads.

The Company recently entered into an interim agreement which gave it the right to acquire a 50% participating interest in the Gemini Lithium Project ("Gemini") located in the western Lida Valley, Esmeralda County, Nevada, USA. Gemini hosts two sub-basins that have the potential for lithium-bearing brines similar to the proven lithium brine deposits currently being mined in the Clayton Valley, Nevada.

The Company's head office is Suite 1100 - 1111 Melville Street, Vancouver, British Columbia, Canada V6E 3V6. The registered and records office is c/o McMillan LLP, Suite 1500 - 1055 West Georgia Street, Vancouver, British Columbia, Canada V7X 1L3.

The Company is a registered issuer in the Provinces of British Columbia and Alberta and the Company's common shares are listed for trading on the TSX Venture Exchange ("TSX-V") under the symbol "EUK".

This discussion and analysis of financial position, results of operations and cash flows of Eureka Resources, Inc. for the three months ended January 31, 2016 includes information up to and including March 29, 2016 and should be read in conjunction with the Company's unaudited condensed interim financial statements for the three months ended January 31, 2016 and the Company's audited annual financial statements for the years ended October 31, 2015 and 2014. All the financial statements were prepared using International Financial Reporting Standards ("IFRS"). The Board of Directors of the Company has approved this MD&A.

The reader is encouraged to review the Company's statutory filings at www.sedar.com and to review other information about the Company on its website at www.eurekaresourcesinc.com.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

This MD&A includes certain forward-looking statements or information. All statements other than statements of historical fact included in this MD&A including statements relating to the potential mineralization or geological merits of the Company's mineral properties and the future plans, objectives or expectations of the Company are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include among other things, statements regarding future commodity pricing, estimation of mineral reserves and resources, timing and amounts of estimated exploration expenditures and capital expenditures, costs and timing of the exploration and development of new deposits, success of exploration activities, permitting time lines, future currency exchange rates, requirements for additional capital, government regulation of mining operations, environmental risks, anticipated reclamation expenses, timing and possible outcome of pending litigation, timing and expected completion of property acquisitions or dispositions, and title disputes. They may also include statements with respect to the Company's mineral discoveries, plans, out-look and business strategy. The words "may", "would", "could", "should", "will", "likely", "expect", "anticipate", "intend", "estimate", "plan", "forecast", "project" and "believe" or other similar words and phrases are intended to identify forward-looking information.

Forward-looking statements are predictions based upon current expectations and involve known and unknown risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

Important factors that could cause actual results to differ materially from the Company's plans or expectations include risks relating to the actual results of exploration programs, fluctuating commodity prices, the possibility of equipment breakdowns and delays, the availability of necessary exploration equipment including drill rigs, exploration cost overruns, general economic or business conditions, regulatory changes, and the timeliness of government or regulatory approvals to conduct planned exploration work. Additional factors that could cause actual results to differ materially from the Company's plans or expectations include political events, fluctuations in mineralization grade, geological, technical, mining or processing problems, future profitability on production, the ability to raise sufficient capital to fund exploration or production, litigation, legislative, environmental and other judicial, regulatory, political and competitive developments, inability to obtain permits, general volatility in the equity and debt markets, accidents and labour disputes and the availability of qualified personnel.

Although the Company has attempted to identify all of the factors that may affect our forward-looking statements or information, this list of the factors is not exhaustive. 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 and uncertainties detailed throughout this MD&A. The Company disclaims any intention or obligation to update or revise forward-looking information, whether as a result of new information, future events or otherwise, except where required by applicable securities laws.

OVERALL PERFORMANCE

FG Gold Project

Historical exploration at the FG property was completed by Amoco, Asarco and the Company between 1983 and 1992. The most recent major exploration program was completed by Hawthorne Gold Corp. in 2007 and 2008.

In September 2007, Hawthorne commenced a 5,000 metre drill program on the FG property as part of their option commitment. Hawthorne also announced the completion of a 1,349 line kilometre airborne geophysical program. The survey data sets were used by Hawthorne to outline major geologic units and map structures within these units. The resulting interpretation served to guide drilling and resource expansion activities. The airborne survey was carried out on the FG property and on the adjoining properties optioned from Dajin. Existing underground exploratory workings were re-sampled as part of the 2007 program. Hawthorne continued their exploration of the FG property and surrounding properties during the summer of 2008, completing an additional 58 diamond drill holes (10,405 metres) that extended the gold system into the southeast part of the Main Zone and along strike further in the south east direction beyond the Main Zone.

The results of Hawthorne's exploration activities on the FG property have been combined with all previously available exploration information and form the basis of a National Instrument 43-101 ("NI 43-101") compliant technical report by K. V. Campbell and G. H. Giroux entitled "Report on the 2007 and 2008 Drill Programs on the Frasergold Project", dated November 15, 2009. The report summarizes the state of knowledge concerning the geology of the property and surrounding area, details of the drill information available including quality control information, and a detailed accounting of a gold resource estimate for the property.

A part of that resource estimate is summarized in the table below. Further details are available in the report on the SEDAR website where estimates for various cut-off grades are available.

A summary of the FG resource at a 0.5 g/t Au cut-off is as follows:

Zone	Class	Au Cutoff (g/t)	Tonnes> Cutoff (tonnes)	Grade > Cutoff		
				Au (g/t)	Au (grams)	Au Ounces
Main	Measured	0.50	5,600,000	0.812	4,500,000	145,000
Main	Indicated	0.50	9,570,000	0.755	7,200,000	231,000
Main	M+I	0.50	15,170,000	0.776	11,800,000	376,000
Main	Inferred	0.50	8,270,000	0.670	5,500,000	177,000
NW	Inferred	0.50	19,180,000	0.740	14,200,000	457,000
SE	Inferred	0.50	43,000	0.632	27,000	900
Total	Inferred	0.50	27,493,000	0.718	19,727,000	634,900

The resource estimate is based on 160 diamond drill holes and 242 reverse circulation holes, sampling a combined 49,691 metres. The drilling was completed by Eureka and its optionees from 1983 to 1992 and Hawthorne in 2007 and 2008. The resource represents a length of about 2.5 kilometres of a 10 kilometre long zone on the FG property that is anomalous in gold that has been defined by geochemistry and geophysics.

FG Gold Project – (cont'd)

In 2011, Teslin River Resources Corp. ("Teslin") entered into a definitive option agreement with Eureka. Teslin completed limited geochemistry to evaluate the potential of extending the existing historic resource to the southeast on the Kusk Grid, the 18ppm Au Grid and the Eureka Bowl Grid. The objective was to assist in the planning of future drill programs.

Summary of Results:

- Kusk Grid: sampling was inconclusive, however from what was collected, the anomalies from programs completed in the 1980s were not duplicated. The isolated high value (700ppb) has no shoulder values and is of little interest. The results indicate all earlier drilling was inadequately located, explaining the weak results. The grid area is underlain by sedimentary rocks of the Quesnel River Group and it is anticipated to host similar gold mineralization to the Main Zone of the FG resource. It was recommended to complete soil sampling prior to drilling. This soil sampling program was recently completed.

- Eureka Peak Grid: samples up to 2.2 ppm Au and 1000 ppm Cu were collected from this grid. The area is in a porphyry copper gold environment; an anticipated resource would be porphyry Cu/Au or a QR gold style of mineralization.

- 18ppm Au Grid: duplicated the earlier anomaly, however did not provide results of similar magnitude. This can be rationalized by the "nuggety" nature of the gold. The grid area is underlain by sedimentary rocks of the Quesnel River Group and therefore similar style gold mineralization as found in the Main Zone of the FG resource is anticipated. Two significant gold anomalies were derived from this grid area with values to 160ppb Au. These anomalies should be drill tested by at least 4 diamond drill holes.

2015 Exploration Program

During 2015, a soil sampling program extended the mineralized zone 4 to 5 kilometres northwest of the Main Zone. Soils were collected at 50 metre intervals along lines spaced 100 metres apart. In total, 679 soil samples were collected. Results delineated several anomalous gold targets that correlate well with a northwest projection of the mineralized zone and geophysics.

The 2007 airborne geophysical survey consisted of a total of 1,349 line kilometres, with lines spaced at 100 metre intervals. EM and magnetic data were collected over an area of 11,000 hectares, which was the size of the FG Gold Project in 2007. Eureka completed a detailed interpretation of this survey in the fall of 2015.

Interpretation noted the presence of a specific conductive marker horizon believed to be related to the known gold mineralization in the Main Zone. This marker horizon has been projected a distance of three to four kilometres to the northwest, interrupted by at least two offsetting cross-faults, in an area of limited to no exploratory drilling. Soil sampling has confirmed the existence of irregular, but strongly anomalous gold-in-soil anomalies over this same six kilometre strike length. The projected zone is in an area of deep overburden (20 to 90 metres), therefore allowance for downhill dispersion of soil values is necessary. The geophysical interpretation has provided the specific targets required for drilling.

FG Gold Project – (cont'd)

In July 2015, the Company filed on SEDAR, an updated NI 43-101 compliant technical report on the FG Gold Project dated July 20, 2015 and amended July 27, 2015. The authors of the report are K.V. Campbell, PhD, PGeo, and Gary Giroux, MASc, PEng, both of whom are qualified persons as defined in NI 43-101.

The report includes results of exploration conducted in 2011 and in April, 2015, and updates the NI 43-101 compliant technical report entitled, "Report on the 2007 and 2008 Drill Programs on the Frasergold Project," dated Nov. 18, 2009, authored by K.V. Campbell, PhD, PGeo, and G. H. Giroux, MASc, PEng, which was prepared for Hawthorne Gold Corp. in 2009. The updated report contains mineral resource estimates which have not changed since the 2009 report was prepared for Hawthorne Gold Corp., as no additional drilling has been completed since that time.

The report recommendations include continued diamond drilling on the Main Zone, the Kusk Grid, the Eureka Peak Grid, the 18ppm Au Grid and the northwest projection of the Main Zone, as well as continued soil sampling at an initial cost of $2,000,000. Included in this are 6 drill holes proposed to follow up on results of the 2011 soil sampling program, each hole to a depth of 250 to 300 metres. This recommended 6 hole drilling program of approximately 1,600 metres was budgeted at $450,000. Equity market conditions resulted in the deferral of the drill program which had been scheduled for the fall of 2015.

All work was filed with mineral Titles Branch of the MEMPR as valid assessment work, extending the title dates of all claims to August 2019.

As a result of the information obtained in the fall 2015 exploration program, in February, 2016, the Company staked two strategic mineral claims expanding the property to 28 claims.

Kristian Whitehead, P. Geo., a qualified person under NI 43-101, is in charge of all exploration programs on behalf of the Company at the FG Gold Project and has reviewed and approved the technical disclosures contained in this MD&A. Mr. Whitehead is Vice-President, Exploration and a director of the Company.

Gemini Lithium Project

On January 20, 2016, the Company entered into an interim agreement with Nevada Sunrise Gold Corporation ("Nevada Sunrise"), a public company with directors and officers in common with the Company, to acquire a 50% participating interest in the Gemini Lithium Project located in the western Lida Valley, Nevada.

Pursuant to the terms of the agreement, the Company will have the right to acquire the 50% participating interest in Gemini by reimbursing Nevada Sunrise for 50% of Gemini's acquisition costs, which are estimated at approximately US$85,000. The reimbursable acquisition costs include staking costs, data acquisition and processing, and claims registration fees payable to Esmeralda County and the Bureau of Land Management.

In addition, the Company will issue Nevada Sunrise an aggregate of 500,000 common shares, with 300,000 common shares to be issued on receipt of acceptance of the agreement by the TSX-V and a further 200,000 common shares to be issued on the first anniversary of such acceptance. The Company and Nevada Sunrise will enter into a joint venture with respect to Gemini with Nevada Sunrise acting as operator of exploration in exchange for a 10% management fee to be charged to the joint venture.

The transaction is subject to the satisfaction of certain conditions, including entry into a definitive agreement and the acceptance of the TSX-V. The transaction constitutes a non-arm's-length transaction under TSX-V policies, as the companies have certain directors and officers in common.

Gemini currently consists of 247 placer claims totalling 4,940 acres (2,000 hectares). Gemini hosts two sub-basins that have the potential for lithium-bearing brines similar to the proven lithium brine deposits located in the Clayton Valley. Lithium occurs in economic quantities within brines in the Clayton Valley where the only producing lithium mine in North America is located. Gemini is situated in a similar geologic environment and is 40 kilometres southeast of the Clayton Valley.

The exploration strategy at Gemini is to target desert basins, or playas, that exhibit similar geological and geophysical characteristics to the Clayton Valley basin where lithium brines are known to accumulate in faulted sub-basins, or "traps". Such sub-basins can be delineated by gravity surveys that detect strong gravity lows.

A detailed gravity survey carried out in 2012 and 2013 by an independent research group indicated strong gravity lows within two faulted sub-basins approximately 4.5 miles apart, each interpreted to be hundreds of metres deep. Nevada Sunrise made the decision to acquire claims covering the available land after reviewing the geophysical results in conjunction with favourable local geology, namely late Miocene felsic volcanic tuffs adjacent to Gemini. These rocks provide the source of lithium for trapped, lithium-rich saline ground-waters (brine) within the sub-basins.

Gemini Lithium Project – (cont'd)

Eureka and its joint venture partner, Nevada Sunrise have received preliminary results from a time-domain electromagnetic survey ("TDEM") carried out at Gemini. A reconnaissance moving-loop TDEM survey over Gemini West and Gemini East has detected conductive zones within the sub-basins defined by the previous gravity surveys. The results gained from the TDEM survey may be interpreted to be conductive brines at depth located well below the non-conductive alluvium (sediments) at surface.

A conductive layer 150–250 metres deep appears to cover most of Gemini West and Gemini East, and several isolated strong conductive zones were interpreted at depths from 400 to 600 metres. The conductive layers and zones are indicative of brine solutions in porous aquifers and traps within each sub-basin. After completion of more detailed TDEM surveys, drilling into the conductive zones within the sub-basin for lithium-bearing brines is recommended as the next step of exploration. There are no known drill holes at Gemini.

John R. Kerr, P. Eng., a qualified person under National Instrument 43-101, is in charge of all exploration programs on behalf of the Company at the Gemini Lithium Project and has reviewed and approved the technical disclosures contained in this MD&A. Mr. Kerr is a director of the Company.

SELECTED ANNUAL INFORMATION

The following financial data is selected information for the most recently completed fiscal years:

	October 31, 2015	October 31, 2014	October 31, 2013
Total revenue	$ -	$ -	$ -
Net and comprehensive income (loss)	$ 85,099	$ (151,996)	$ (59,413)
Basic and diluted income (loss) per share	$ 0.005	$ (0.009)	$ (0.004)
Total assets	$ 169,006	$ 12,237	$ 80,422
Total non-current liabilities	$ -	$ -	$ -
Dividends	$ -	$ -	$ -

All the annual results were derived from financial statements prepared using IFRS.

RESULTS OF OPERATIONS

Net and comprehensive loss for the three months ended January 31, 2016 was $106,192 ($0.005 per share) compared to $18,410 ($0.001 per share) for the three months ended January 31, 2015.

The increase is attributed to a stock-based compensation charge of $65,750 related 1,315,000 incentive warrants issued during the three months ended January 31, 2016 and to the increased activity level of the Company since the new management team was appointed.

Since June of 2015, Eureka has completed two exploration programs at the FG Gold property and entered into to an agreement to acquire a 50% interest in the Gemini Lithium property.

In addition, the Company has negotiated the forgiveness of loans due to previous management, completed two private placements, a debt settlement and offered an incentive warrant program in order to keep a clean balance sheet.

The Company has internalized the accounting function and has sub-leased a small office for $250 per month. The Company is making every effort to keep its administrative overheads low.

Operating Activities for the Three Months ended January 31, 2016 and 2015

Cash flows used in operating activities were $15,534 for the three months ended January 31, 2016 compared to $9,071 for the three months ended January 31, 2015.

Investing Activities for the Three Months ended January 31, 2016 and 2015

Cash flows used in investing activities were $46,724 for the three months ended January 31, 2016 compared to $Nil for the three months ended January 31, 2015. All exploration and evaluation expenditures were incurred on the FG property.

RESULTS OF OPERATIONS – (cont'd)

Financing Activities for the Three Months ended January 31, 2016 and 2015

Cash flows from financing activities were $65,750 for the three months ended January 31, 2016 compared to $10,000 for the three months ended January 31, 2015.

On December 31, 2015, the Company offered the holders of 4,000,000 share purchase warrants issued on June 11, 2015 (the "June Warrants") an incentive warrant to exercise their warrants early. Each June Warrant was exercisable to purchase one common share at $0.05 per share until June 10, 2016 or at $0.10 per share until June 10, 2017. The Company would issue the holder of a June Warrant who exercises their June Warrant between January 4, 2016 and January 29, 2016 an incentive warrant for each June Warrant exercised. Each Incentive Warrant would entitle the holder to acquire an additional common share at $0.075 per share until June 10, 2016, and thereafter at $0.125 per share until June 10, 2020.

During the three months ended January 31, 2016, the incentive warrant program resulted in the exercise of 1,315,000 June Warrants at $0.05 for total proceeds of $65,750. The Company issued the holders who exercised their June Warrants an incentive warrant and a common share for each June Warrant exercised.

During the three months ended January 31, 2015, the Company received cash advances of $10,000 from the former CEO of the Company.

Private Placements During the Year ended October 31, 2015

On June 10, 2015, the Company closed a non-brokered private placement for gross proceeds of $100,000. The private placement consisted of 700,000 flow-through units at $0.025 per unit and 3,300,000 non flow-through units at $0.025 per unit. As the unit price received for both the flow-through and the non-flow-through units was the same, no premium was recorded on the flow-through shares. Each flow-through unit consisted of one flow-through common share and one share purchase warrant. Each non flow-through unit consisted of one non flow-through common share and one share purchase warrant. The share purchase warrants entitled the holders to purchase one additional non flow-through common share at $0.05 until June 10, 2016 or at $0.10 until June 10, 2017.

On October 1, 2015, the Company closed a non-brokered private placement for gross proceeds of $85,000. The private placement consisted of 350,000 flow-through units at $0.10 per unit and 625,000 non flow-through units at $0.08 per unit. A flow-through premium of $0.02 per unit or $7,000 was recorded to reflect the difference in the price of the flow-through and non-flow-through units. Each flow-through unit consisted of one flow-through common share and one share purchase warrant. Each non flow-through unit consisted of one non flow-through common share and one share purchase warrant. The share purchase warrants entitled the holders to purchase one additional non flow-through common share at $0.12 until October 1, 2017. Finder's fees of $1,600 were paid on certain flow-through and non-flow-through subscriptions. The Company paid legal fees of $27,423 with respect to this private placement.

RESULTS OF OPERATIONS – (cont'd)

Financing Activities – (cont'd)

Subsequent to January 31, 2016

The Company issued 906,333 common shares at $0.075 per share to settle outstanding debts of $67,975. The shares were issued to seven creditors. Included in the totals were shares issued to insiders as follows: MDS Management Ltd. (Michael Sweatman), $15,750 for 210,000 shares; MBP Management Ltd. (Brent Petterson), $9,975 for 133,000 shares; Rhodanthe Corporate Services (Christina Boddy), $3,150 for 42,000 shares; Infiniti Drilling Corp. (Kristian Whitehead), $8,400 for 112,000 shares; John R. Kerr, $5,200 for 69,333 shares.

The Company issued 25,000 common shares at $0.05 per share for proceeds of $1,250 pursuant to the exercise of 25,000 share purchase warrants.

SUMMARY OF QUARTERLY RESULTS

The figures for the quarters ended October 31, 2015 and 2014 are calculated from the Company's annual audited financial statements. All other amounts are from unaudited condensed interim financial statements prepared by management.

	Q1 January 31, 2016	Q4 October 31, 2015	Q3 July 31, 2015	Q2 April 30, 2015
Total revenues	$ -	$ -	$ -	$ -
Net and comprehensive income (loss)	$ (106,192)	$ (34,063)	$ 173,239	$ (35,667)
Basic and diluted income (loss) per share	$ (0.005)	$ (0.001)	$ 0.009	$ (0.002)

	Q1 January 31, 2015	Q4 October 31, 2014	Q3 July 31, 2014	Q2 April 30, 2014
Total revenues	$ -	$ -	$ -	$ -
Net and comprehensive income (loss)	$ (18,410)	$ (14,257)	$ (17,023)	$ (32,947)
Basic and diluted income (loss) per share	$ (0.001)	$ (0.001)	$ (0.001)	$ (0.002)

SUMMARY OF QUARTERLY RESULTS – (cont'd)

Variances in quarterly results can be due to stock-based compensation incurred in a quarter as the Company's stock options generally vest on the grant date and therefore are fully expensed in the quarter in which they are granted and to the write-off of mineral properties during a quarter.

In the quarter ended January 31, 2016, the Company recorded stock-based compensation expense of $65,750 related to the issuance of 1,315,000 incentive warrants.

In the quarter ended July 31, 2015, the Company recorded stock-based compensation expense of $112,000 related to the granting of 1,400,000 stock options to directors, officers and consultants.

In the quarter ended July 31, 2015, the Company recorded a gain on forgiveness of debt of $362,765 in conjunction with the management changes during the quarter.

LIQUIDITY AND CAPITAL RESOURCES

To date, the Company has been able to fund administrative overheads and property exploration and evaluation through equity financings. The continued uncertainty in the financial equity markets may make it difficult to raise capital through the private placement of shares. The junior mining industry is considered speculative in nature which could make it even more difficult to fund. While the Company is using its best efforts to achieve its business plans by examining various financing alternatives, there is no assurance that the Company will be successful with its financing ventures.

At January 31, 2016, the Company has not generated revenue from operations, has an accumulated deficit of $6,072,402, has a working capital deficiency of $117,006 and expects to incur further losses in the exploration and evaluation of its mineral properties. The Company has not yet determined whether its mineral properties contain economically recoverable reserves. The ability of the Company to meet its liabilities as they come due and to continue as a going concern is dependent upon the continuing support of its directors, officers and creditors, its ability to obtain financing to continue the exploration of its mineral properties and ultimately attain profitable operations. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

Management fees and certain other related party fees are currently being deferred until additional financing is arranged.

The Company is currently assessing financing options for additional exploration at the FG property. The Company is actively seeking a joint venture partner for the property. Alternatively, the Company may consider a flow-through equity financing later in 2016.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off balance sheet arrangements to report.

TRANSACTIONS WITH RELATED PARTIES

At March 29, 2016, the directors of the Company were Michael Sweatman, Warren Stanyer, John Kerr and Kristian Whitehead. The officers of the Company were Michael Sweatman (CEO), Brent Petterson (CFO) and Christina Boddy (Corporate Secretary). Additional related parties include MDS Management Ltd ("MDS"), MBP Management Ltd ("MBP"), Rhodanthe Corporate Services ("Rhodanthe"), Infiniti Drilling Corporation ("Infiniti"), companies with officers or directors in common, namely Michael Sweatman, Brent Petterson, Christina Boddy and Kristian Whitehead.

During the three months ended January 31, 2016 and 2015, the Company incurred the following charges by directors and officers, former directors, companies controlled by directors and officers and by former directors and officers, another public company with directors and officers in common and by a law firm in which a former director is a partner.

	2016	2015
Accounting fees	$ 5,500	$ 2,500
Consulting fees	3,000	2,500
Exploration and evaluation assets – geological	12,533	-
Exploration and evaluation assets – project management	5,537	-
Management fees	14,000	-
Office	-	963
Rent	750	4,468
Stock-based compensation	35,000	-
	$ 76,320	$ 10,431

Key Management Compensation:

During the three months ended January 31, 2016 and 2015, the Company incurred the following key management compensation charges. Key management includes the Company's directors and executive officers.

	2016	2015
Accounting fees	$ 5,500	$ 2,500
Consulting fees	3,000	2,500
Exploration and evaluation assets – geological	12,533	-
Management fees	14,000	-
Stock-based compensation	35,000	-
	$ 70,033	$ 5,000

At January 31, 2016, due to related parties includes $122,491 (October 31, 2015 - $49,782) payable to directors and officers of the Company, to companies with directors and officers in common with the Company and to another public company with directors and officers in common with the Company for accounting fees, consulting fees, management fees and exploration and evaluation assets.

TRANSACTIONS WITH RELATED PARTIES – (cont'd)

During the three months ended January 31, 2016 and 2015, the Company had the following related party transactions:

- Accounting fees of $5,500 (2015 - $Nil) to the MBP Management Ltd (Brent Petterson), the CFO of the Company;
- Accounting fees of $Nil (2015 - $2,500) to a company that is related to the former CFO of the Company;
- Consulting fees of $3,000 (2015 - $Nil) to Warren Stanyer, a director of the Company;
- Consulting fees of $Nil (2015 - $2,500) to Kristian Whitehead, a director of the Company;
- Geological fees of $7,333 (2015 - $Nil) to Infiniti Drilling Corporation (Kristian Whitehead), a director of the Company;
- Geological fees of $5,200 (2015 - $Nil) to John Kerr, a director of the Company;
- Project management fees of $5,537 (2015 - $Nil) to the Nevada Sunrise Gold Corporation, a public company with directors and officers in common;
- Management fees of $9,500 (2015 - $Nil) to the MDS Management Ltd (Michael Sweatman), the President and CEO of the Company;
- Management fees of $4,500 (2015 - $Nil) to Rhodanthe Corporate Services (Christina Boddy), the Corporate Secretary of the Company;
- Office expenses of $Nil (2015 - $963) to a law firm in which a former director of the Company, is a partner;
- Rent of $750 (2015 - $Nil) to the Nevada Sunrise Gold Corporation, a public company with directors and officers in common;
- Rent of $Nil (2015 - $4,468) to a company owned by the former CEO of the Company.

At January 31, 2016, due to related parties includes the following:

	January 31, 2016
John Kerr	$ 5,200
Nevada Sunrise Gold Corp	60,907
MBP Management /Brent Petterson	7,534
Warren Stanyer	3,000
Infiniti Drilling Corp/Kristian Whitehead	14,881
MDS Management/Michael Sweatman	25,194
Rhodanthe Corporate Services/Christina Boddy	5,775
	$ 122,491

PROPOSED TRANSACTION

On March 7, 2016, Eureka announced that it plans to raise up to $400,000 by way of a non-brokered private placement.

The private placement will be comprised of a minimum of 2,666,667 units at $0.075 per unit for gross proceeds of $200,000 and a maximum of 5,333,333 units at $0.075 per unit for gross proceeds of up to $400,000. Each unit will be comprised of one common share and one share purchase warrant entitling the holder to acquire an additional common share at $0.125 per share for two years from closing.

The proceeds from private placement will be used for acquisition, exploration and evaluation costs on the Company's Gemini Lithium Project, for costs of the offering and for working capital as detailed below:

Use of Proceeds	Minimum	Maximum
Costs of the Offering:		
Legal and filing	$12,000	$12,000
Commissions	$14,000	$28,000
Nevada Lithium:		
Acquisition costs	$70,000	$70,000
Exploration and evaluation costs	$74,000	$230,000
Working capital	$30,000	$60,000

Finder's fees of 7% cash and 7% finder's warrants may be payable on certain subscriptions. The finder's warrants will entitle the holder to acquire units with the same terms as the private placement units.

All share purchase warrants issued under the private placement, including those issued as finder's fees, will be subject to an acceleration clause which will cause the warrants, if unexercised, to expire on the date which is 30 days after the date that the volume weighted average trading price of the Company's common shares on the TSX-V exceeds $0.25 per share over a period of 10 consecutive trading days.

All securities issued in the private placement will be subject to a four- month hold period, during which time the securities may not be traded. The securities described herein have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States unless registered under the Act or unless an exemption from registration is available. The private placement is subject to regulatory approval.

CRITICAL ACCOUNTING ESTIMATES

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Exploration and Evaluation Assets

The carrying amount of the Company's exploration and evaluation assets properties does not necessarily represent present or future values, and the Company's exploration and evaluation assets have been accounted for under the assumption that the carrying amount will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development and upon future profitable production or proceeds from the disposition of the mineral properties themselves. Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its properties or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's exploration and evaluation assets.

Share-based Payments

The estimation of share-based payments includes estimating the inputs used in calculating the fair value for share-based payments expense included in profit or loss and share-based share issuance costs included in equity. Share-based payments expense and share-based share issuance costs are estimated using the Black-Scholes options-pricing model as measured on the grant date to estimate the fair value of stock options. This model involves the input of highly subjective assumptions, including the expected price volatility of the Company's common shares, the expected life of the options, and the estimated forfeiture rate.

Income Taxes

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

CHANGES IN ACCOUNTING POLICIES

The details of the Company's significant accounting policies are disclosed in Note 3 to the unaudited condensed interim financial statements for the three months ended January 31, 2016 and 2015.

New Standards Adopted for the Year Ended October 31, 2016

Effective November 1, 2015, the following standards were adopted but did not have a material impact on the financial statements.

- IFRS 7 Amended to require additional disclosures on transition from IAS 39 and IFRS 9.

New Standards Adopted for the Year Ended October 31, 2015

Effective November 1, 2014, the following standards were adopted but did not have a material impact on the financial statements.

- IAS 32 (Amendment): Standard amended to clarify requirements for offsetting financial assets and financial liabilities.

- IFRS 10 Investment Entities – Amendment.

- IAS 36 (Amendment): Recoverable amount disclosures for non-financial assets.

New Standards and Interpretations Not Yet Adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for future accounting periods. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- IFRS 9: New standard that replaced IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Financial Assets

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held to maturity, available for sale, loans and receivables or at fair value through profit or loss ("FVTPL").

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through profit or loss. The Company's cash and cash equivalents is classified as FVTPL.

Financial assets classified as loans and receivables and held to maturity assets are measured at amortized cost. The Company's receivables are classified as loans and receivables. Financial assets classified as available for sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income and loss except for losses in value that are considered other than temporary which are recognized in profit or loss. As at January 31, 2016 and October 31, 2015, the Company has not classified any financial assets as held to maturity or available for sale.

Transaction costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

At each reporting date, the Company assesses whether there is objective evidence that a financial asset is impaired. If such evidence exists, the Company recognizes an impairment loss as follows:

a) Financial assets carried at amortized cost: The loss is the difference between the amortized cost of the asset and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. The carrying amount of the asset is reduced by this amount either directly or indirectly through the use of an allowance account.

b) Available-for-sale financial assets: The impairment loss is the difference between the original cost of the asset and its fair value at the measurement date, less any impairment losses previously recognized in the statement of loss and comprehensive loss. This amount represents the cumulative loss in accumulated other comprehensive income that is reclassified to the statement of loss and comprehensive loss.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS – (cont'd)

Financial Liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. The effective interest rate method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company's accounts payable and accrued liabilities and due from related parties are classified as other financial liabilities.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held for trading and recognized at fair value with changes in fair value recognized in profit or loss unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized in profit or loss.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The fair values of the Company's receivables, accounts payable and accrued liabilities and due to related parties approximate their carrying values because of the short-term nature of these instruments.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

The Company's cash is held with large financial institutions. The Company's receivables consist of GST receivable from the Canada Revenue Agency. Management believes that credit risk concentration with respect to receivables is remote.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS – (cont'd)

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at January 31, 2016, the Company had cash of $66,171 to settle current liabilities of $191,746. Management believes the Company has sufficient funds to meet its current liabilities as they become due.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, and commodity and equity prices.

a) *Interest rate risk:*

The Company has cash which is not subject to significant risks in fluctuating interest rates. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. An increase to interest rates by 1% would have an insignificant effect on the Company's operations.

b) *Price risk:*

The Company is exposed to price risk with respect to commodity and 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. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

c) *Foreign currency risk:*

The Company is exposed to foreign currency risk on fluctuations related to accounts payable and accrued liabilities that are denominated in US dollars. At January 31, 2016, a 10% fluctuation in the US dollar against the Canadian dollar would affect comprehensive loss by approximately $4,350.

RISKS AND UNCERTAINTIES

In addition to the risks and uncertainties detailed earlier in this MD&A, the Company is also subject to other risks and uncertainties including the following:

General Risk Associated with the Mining Industry

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known commercial ore deposit. The main operating risks include: securing adequate funding to maintain and advance exploration properties; ensuring ownership of and access to mineral properties by confirmation that claims and agreements are in good standing and obtaining permits for drilling and other exploration activities. The market prices for gold and other metals can be volatile and there is no assurance that a profitable market will exist for a production decision to be made or for the ultimate sale of the metals even if commercial quantities of precious and other metals are discovered.

Exploration and development activities involve risks which careful evaluation, experience and knowledge may not, in some cases eliminate. The commercial viability of any mineral deposit depends on many factors not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure, government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations, have an impact on the economic viability of a mineral deposit. Management attempts to mitigate its exploration risk and may employ a strategy of joint ventures with other companies which balance the risk while at the same time allowing properties to be advanced.

Dependence on Key Personnel

Loss of certain members of the executive team or key operational leaders of the Company could have a disruptive effect on the implementation of the Company's business strategy and the efficient running of day-to-day operations until their replacement is found. Recruiting personnel is time consuming and expensive and competition for qualified personnel may be intense. The Company may be unable to retain its key employees or attract, assimilate, retain or train other necessary qualified employees, which may restrict its growth potential.

Competitive Industry

Mining industry is intensely competitive and the Company will compete with other companies that have far greater resources.

Title to Mineral Properties

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

RISKS AND UNCERTAINTIES – (cont'd)

Permits and Licences

The operations of the Company will require licences and permits from various governmental authorities, which have been applied for and/or will be applied for at the proper time. There can, however, be no assurance that the Company will be able to obtain all necessary licences and permits required to carry out exploration, development and mining operations of its projects.

Environmental Regulation

The operations of the Company are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions or various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, 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 non-compliance are becoming more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of future operations. The Company may become subject to liability for pollutions or hazards against which it cannot insure or again which it 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.

Estimates of Mineral Resources may not be Realized

The mineral resource estimates published from time to time by the Company with respect to its properties are estimates only and no assurance can be given that any particular level of recovery of minerals will in fact be realized or that an identified resource will ever qualify as a commercially mineable (or viable) deposit which can be legally and economically exploited. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material. Production can be affected by such factors as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations, inaccurate or incorrect geologic, metallurgical or engineering work, and work interruptions, among other things. Short-term factors, such as the need for orderly development of deposits or the processing of new or different grades, may have an adverse effect on mining operations or 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 resources, grades, stripping ratios or recovery rates may affect the economic viability of projects. The estimated resources described herein should not be interpreted as assurances of mine life or of the profitability of future operations.

DISCLOSURE OF OUTSTANDING SHARE DATA

a) *Issued:*

	Number
At March 29, 2016	23,268,572

b) *Stock Options:*

At March 29, 2016, the Company had 1,400,000 stock options outstanding entitling the holders thereof the right to purchase one common share for each option held at $0.10 per share until June 23, 2020.

c) *Share Purchase Warrants:*

At March 29, 2016, the Company had 4,950,000 share purchase warrants outstanding entitling the holders thereof the right to purchase one common share for each warrant held as follows:

Number of warrants outstanding	Exercise Price	Expiry Date
2,660,000	$0.05/$0.10	June 10, 2016/2017
1,315,000	$0.075/$0.125	June 10, 2016/2020
975,000	$0.12	October 1, 2017
4,950,000		