Trek Mining Inc.

Management's Discussion and Analysis
September 30, 2017

This Management's Discussion and Analysis ("MD&A") of the financial position and results of operations is intended to supplement the unaudited condensed consolidated interim financial statements of Trek Mining Inc. (the "Company" or "Trek Mining") as at September 30, 2017 for the three and nine-month periods and the related notes thereto, which have been prepared in accordance with IAS 34 *Interim Financial Reporting* of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). For further information on the Company, reference should be made to its public filings on SEDAR at www.sedar.com.

This MD&A is prepared by management and approved by the Board of Directors as of November 7, 2017. This discussion covers the three and nine-month periods ended September 30, 2017 and the subsequent period up to the date of issue of the MD&A. All dollar amounts are in United States ("US") dollars, except where otherwise noted.

Information on risks and uncertainties associated with investing in the Company's securities and technical and scientific information under National Instrument 43-101 concerning the Company's material properties, including information about mineral reserves and resources, is contained in the Company's most recently filed technical report, "Feasibility Study on the Aurizona Gold Mine Project, Maranhão, Brazil" (the "Aurizona Feasibility Study" or the "Aurizona Technical Report") released August 10, 2017, with an effective date of dated July 10, 2017.

This MD&A contains forward-looking statements. Readers are cautioned as to the risks and uncertainties related to the forward-looking statements and are directed to those risks and uncertainties discussed in the Joint Management Information Circular dated February 22, 2017 and the 2016 annual MD&A dated April 26, 2017, both of which are filed on SEDAR. The joint information circular of NewCastle (defined herein) and Anfield (defined herein), which is expected to be filed on SEDAR in mid-November 2017, will contain additional risk factors of Trek Mining.

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Company overview

Trek Mining Inc. (TSX-V: TREK) ("Trek Mining" or the "Company") is a growth-focused mining company with a portfolio of production, near-production and exploration-stage projects in North and South America. The Company's principal assets are its past-producing, 100%-owned Aurizona gold project in Brazil ("Aurizona" or "Aurizona Project"), its 83% interest in the Koricancha gold milling operation in Peru ("Koricancha") and its 100%-owned Warintza copper-molybdenum exploration property in Ecuador ("Warintza"). The Company also holds 100% of the Ricardo copper-molybdenum exploration property in Chile ("Ricardo") and 100% of the high-grade Elk Gold project ("Elk Gold") in Canada, and is actively evaluating additional mineral properties. The Company is listed on the TSX-V and trades under the symbol "TREK".

Trek Mining was created on March 31, 2017 upon completion of a business combination with Luna Gold Corp. ("Luna Gold"), following which the Company changed its name from JDL Gold Corp. ("JDL Gold") to Trek Mining.

Business combination with NewCastle Gold Ltd. and Anfield Gold Corp.

On October 25, 2017, Trek Mining Inc., NewCastle Gold Ltd. (TSX: NCA) ("NewCastle") and Anfield Gold Corp. (TSX-V: ANF) ("Anfield") announced the signing of a definitive arrangement agreement to combine their businesses (the "NewCastle and Anfield Transaction"). The combined entity intends to operate under the name Equinox Gold Corp. ("Equinox Gold") and expects to trade on the TSX Venture Exchange ("TSX-V") under the ticker symbol "EQX".

Under the terms of the NewCastle and Anfield Transaction, Trek Mining will acquire all outstanding shares of NewCastle and Anfield at a share exchange ratio of 0.873 Trek Mining shares for each NewCastle share (the "NewCastle Exchange Ratio") and 0.407 Trek Mining shares for each Anfield share (the "Anfield Exchange Ratio"). Each NewCastle and Anfield warrant and option will become exercisable for Trek Mining common shares, as adjusted in accordance with the appropriate Exchange Ratio. Based on the applicable Exchange Ratios, upon completion of the NewCastle and Anfield Transaction, Trek Mining shareholders will own 44% of Equinox Gold, former NewCastle shareholders will own 44% and former Anfield shareholders will own 12%.

Subject to closing of the NewCastle and Anfield Transaction, Ross Beaty will acquire approximately 22.5 million common shares of Equinox Gold (the "Beaty Transaction"). The shares will be purchased pursuant to a share and debenture purchase agreement between Trek Mining, Ross Beaty and Sandstorm Gold Ltd. ("Sandstorm"), whereby Sandstorm will sell to Ross Beaty 4.0 million common shares of Trek Mining and $15.0 million principal of the debenture payable by Trek Mining to Sandstorm at a combined purchase price of approximately $18.2 million. The debenture will be converted to approximately 18.5 million common shares within five business days of closing of the NewCastle and Anfield Transaction. Following closing, Ross Beaty is expected to own approximately 11% of Equinox Gold on a fully diluted basis.

Upon completion of the NewCastle and Anfield Transaction, Equinox Gold will have approximately 423.0 million common shares issued and outstanding.

Management and Directors

The proposed Board of Directors will be led by Ross Beaty as Chairman with Christian Milau, Greg Smith, and Marcel de Groot joining from Trek Mining, Jacques McMullen and Lenard Boggio joining from NewCastle, and Marshall Koval joining from Anfield. Richard Warke, Executive Chairman of NewCastle, will continue with Equinox Gold as a strategic advisor and significant shareholder. Equinox Gold will be headquartered in Vancouver and managed by the Trek Mining executive team, which is led by Christian Milau, CEO, and Greg Smith, President.

Transaction approvals

The NewCastle and Anfield Transaction is expected to be structured as a plan of arrangement under the *Business Corporations Act* (British Columbia) and, in addition to other customary closing conditions, is subject to regulatory and court approvals or orders, and the continuation of NewCastle from Ontario to British Columbia. The NewCastle and Anfield Transaction will need to be approved by (i) two-thirds of the votes cast by NewCastle and Anfield shareholders at their respective shareholder meetings and (ii) if required, a simple majority of the votes cast by NewCastle and Anfield shareholders at their respective shareholder meetings, excluding the votes held by certain persons as required by Multilateral Instrument 61-101. The special meetings of NewCastle and Anfield are expected to be held in December 2017.

The NewCastle and Anfield Transaction includes customary deal-protection provisions, including non-solicitation of alternative transactions and break fees of C$18 million payable by Trek Mining or NewCastle, and C$3.2 million payable by Anfield, under certain circumstances.

Interim MD&A quarterly highlights

Exploration and operations

- Aurizona Feasibility Study results released
- EPCM contract awarded for development of Aurizona Project
- Sale of 3,195 ounces of gold from Koricancha

Exploration

On July 31, 2017, the Company released the results of the Aurizona Feasibility Study for the Aurizona Project, which is based on a new mine plan and mineral reserve estimate and outlines the design of an open-pit gold mine producing an average of 136,000 ounces of gold per year, with an initial 6.5-year mine life and significant exploration upside. Using a base case gold price of $1,250 per ounce, the Aurizona Project demonstrates strong financial returns with an after-tax internal rate of return ("IRR") of 34% ($1,350 per ounce – IRR of 42%) and a net present value ("NPV") using a 5% discount rate of $197 million ($1,350 per ounce – NPV of $254 million). Initial capital costs are estimated at $130.8 million due to the Company's ability to leverage significant existing infrastructure, with life-of-mine sustaining capital estimated at $51.3 million, including closure costs. All-in sustaining costs are estimated at $754 per ounce of gold produced.

On July 31, 2017, Trek Mining also announced awarding the project EPCM work to Ausenco Engineering Canada Inc. ("Ausenco"), a private, diversified engineering, construction and project management company with extensive experience in the "fit-for-purpose" design and cost-effective construction of gold plants and mining projects globally, including a number of recent study, basic engineering and construction projects in Brazil. Ausenco will provide EPCM services to the Aurizona Project from its Vancouver and Belo Horizonte offices and will be supported by Trek Mining's team.

On September 11, 2017, the Company announced that exploration drilling results intersected two new zones of significant gold mineralization at the Genipapo target, east of the Piaba gold deposit. The Genipapo target, located east and north of the Piaba gold deposit, measures several square kilometres in area and covers numerous northwest-southeast trending gold-in-soil anomalies.

Five diamond drill holes totalling 1,009 m were drilled to test the target area. Drill hole BRAZD545 intersected 3.28 g/t Au over 4.0 m. Drill hole BRAZD546, collared approximately 500 m south of BRAZD545, intersected 1.89 g/t Au over 13.0 m including 5.57 g/t Au over 3.0 m. The two drill holes, located approximately 1,000 m east of the Piaba gold deposit reserve pit limit, tested the northern and southern flanks of a large northwest trending gold-in-soil anomaly measuring approximately 500 m by 1,000 m.

Operations

Koricancha continued its gradual ramp-up, selling 3,195 ounces of gold during the three months ended September 30, 2017. See "*Selected quarterly information*" for further explanation of Koricancha's results of operations.

Recent developments

Sprott credit facility

In conjunction with the October 25, 2017 announcement of the NewCastle and Anfield Transaction, Trek Mining announced that Sprott Private Resource Lending (Collector), L.P. ("Sprott") received investment committee approval to provide Trek Mining with a $85 million senior secured credit facility to be used for construction of Aurizona (the "Credit Facility"). The Credit Facility will have a five-year term, incur interest at an annual rate of 7%, plus the greater of US 3-month LIBOR or 1%, and will be repaid in quarterly installments commencing in September 2019 and ending in September 2022.

In connection with the Credit Facility, Sprott will be entitled to a production payment of $20 per gold ounce on 75% of the first 400,000 ounces of gold produced from Aurizona. Further, Trek Mining will issue to Sprott 8.0 million five-year at-market common share purchase warrants.

The terms of the Credit Facility are not subject to technical due diligence by Sprott. The Credit Facility remains conditional on completion of legal and formal documentation and is expected to be completed prior to closing the NewCastle and Anfield Transaction.

Outlook

Aurizona Feasibility Study and development

The Company's primary focus is advancing Aurizona toward production, with the objective of pouring gold by year-end 2018. Early works activities are underway, including mobilization of contractors, demolishing unnecessary infrastructure and ordering some long-lead items. In Q4 2017, the Company expects to receive the remaining permit amendments required for mill expansion to 8,000 tonnes per day and also to finalize legal and formal documentation related to the Sprott Credit Facility, at which point Trek Mining's Board of Directors can approve the commencement of full-scale construction.

Aurizona exploration

In September, Trek Mining commenced an aggressive second phase 12,000-metre exploration drill campaign at Aurizona and currently has five diamond drill rigs working to complete the program. The focus of the current drill campaign includes testing several high-potential near-mine targets, including follow-up drilling at Genipapo, and additional infill and step-out drilling at Piaba West. Efforts also include compilation, modelling and integration of the new Piaba West mineralization, highlighted by 20.0 m grading 5.06 g/t Au in BRAZP596, to facilitate incorporation into the Aurizona resource base.

Concurrent with the Company's near-mine brownfields exploration program, the broader 'greenfields' Aurizona land package ("JV Greenfields") located outside of the Company's 100%-owned Aurizona and brownfields concessions is being explored in a joint venture with AngloGold Ashanti Holdings plc ("AGA"). AGA completed regional airborne magnetic and electromagnetic ("EM") surveys over the entire land package earlier in 2017 and now has drill rigs testing targets with the goal of drilling up to 15,000 metres by the end of 2017. See "Aurizona Gold Mine, Brazil" for additional information regarding the AGA joint venture.

Koricancha

Koricancha processes ore purchased from small scale and artisanal miners throughout Peru. Operating activities resumed in late Q4 2016. The Company is implementing strategies to increase its ore vendor base and gradually bring additional mineralized feed to the mill, with the objective of ultimately achieving the mill's processing capacity of 350 tonnes per day.

Warintza

In recent months, the Company has been involved in discussions with various stakeholders regarding further exploration and development at Warintza. Trek Mining is expanding its local, regional and federal outreach programs, in cooperation with the government and the Shuar indigenous community, to establish the relationships and social support required to recommence Warintza exploration activities.

Business combination with Luna Gold

On March 31, 2017, the Company completed a business combination with Luna Gold (the "Luna Transaction"). Under the terms of the Luna Transaction, each outstanding share of Luna Gold was exchanged for 1.105 Trek Mining common shares (the "Luna Exchange Ratio") and holders of outstanding Luna Gold convertible securities are entitled to acquire common shares of Trek Mining based on the Luna Exchange Ratio.

The purpose of the Luna Transaction was to add a flagship, near-term production asset to the Company's portfolio of earlier stage assets. The combined company now has a strong cash position and a diverse portfolio of assets in the Americas, anchored by near-term production from Aurizona and increasing gold production from Koricancha. The key aspects of the Luna Transaction included the following:

1) Purchasing all the outstanding shares of Luna Gold and thereby acquiring its Aurizona Project via the issuance of 48.4 million Trek Mining shares;
2) Raising $61.1 million, net of financing fees, in cash to fund exploration and development at Aurizona and to restructure the balance sheet. The cash was raised through the issuance of 41.7 million units(1), where each unit consists of one common share and one warrant(2).

3) Extinguishing all non-convertible debt of the combined company by:
    a. Paying $20.8 million in cash to settle the short and long-term notes due to Pacific Road Resources Fund (“Pacific Road”); and
    b. Issuing 19.5 million common shares and 8.5 million warrants(2) to settle a $25.5 million debt facility due to Sandstorm Gold Ltd. (“Sandstorm”).

(1) Each unit was priced at C$2.00. 31.7 million units were issued in a non-brokered private placement and 10.0 million units were issued via a brokered private placement.

(2) One warrant entitles the warrant holder to purchase one common share at a strike price of C$3.00. The warrants are publicly traded on the TSX-V under the ticker symbol TREK.WT and expire October 6, 2021.

In total, Trek Mining issued 109.6 million shares and 78.2 million warrants in connection with the Luna Transaction, related financing and debt repayments.

At the close of the Luna Transaction on March 31, 2017, and after settlement of the above-noted debts, Trek Mining’s balance sheet included $85.6 million in cash, cash equivalents and available-for-sale investments, and a convertible debenture due to Sandstorm of $26.8 million. The debenture is convertible at Trek Mining’s election based on the higher of C$0.90 and the 20-day volume weighted average price prior to conversion. See Note 10(a) of the Q3 2017 unaudited condensed consolidated interim financial statements for a description of the debenture.

Mineral and other projects

Aurizona Gold Mine, Brazil

Aurizona consists of a developed mine camp, past-producing open-pit operation, process plant and associated infrastructure. Aurizona constitutes a large land package totaling approximately 223,160 hectares that includes the Aurizona mining license, brownfields exploration properties close to the Aurizona mine site and earlier-stage greenfields exploration properties that are subject to an earn-in agreement with AGA. The brownfield properties, including the Piaba deposit, are subject to a graduated net smelter returns royalty (“NSR”) to Sandstorm that ranges from 3% to 5%, depending on the price of gold.

Aurizona produced a total of 329,042 ounces of gold over a period of five years from 2010 to 2015 at an average grade of 1.28 grams per tonne (“g/t”) gold and average recoveries of 88%. Mining operations ceased in February 2015 because the processing plant did not have a crusher and therefore could not economically process the transition and hard-rock material contained in the mineral reserves. Luna Gold finished processing available ore stockpiles and placed Aurizona on care and maintenance in Q3 2015. Since Q3 2015, Luna Gold was focused on redevelopment of Aurizona with the objective of restarting operations. Concurrent with decommissioning and care and maintenance of the processing plant, Luna Gold completed 15,142 metres of oriented core drilling, 3,264 metres of reverse circulation drilling and extensive metallurgical and technical work to gain a refined understanding of the ore body and a new 4D structural geology model. Luna Gold released the results of a pre-feasibility study for Aurizona in September 2016.

On July 31, 2017, Trek Mining released the results of the Aurizona Feasibility Study. The Aurizona Feasibility Study is based on a new mine plan and mineral reserve estimate and outlines the design of an open-pit gold mine producing an average of 136,000 ounces of gold per year, with an initial 6.5-year mine life. The re-engineered mine plan for Aurizona includes an entirely new crushing and grinding circuit that will allow all known types of mineral bearing rock at Aurizona to be processed through the Company’s gold recovery plant. Processing capacity will also be increased from 5,500 tonnes per day to 8,000 tonnes per day. All major mine elements are already in place, including a tailings facility and waste dumps, a dedicated power line, camp offices and accommodations, water supply, roads and communications. While the majority of the back-end of the processing plant is fit for use following a refurbishment program, the new mine plan requires upgrades to the power substation, some upgrades to existing infrastructure and installation of the new crushing and grinding circuit, all of which is captured in the $130.8 million capital cost estimate. The Company is also in the process of modifying its permits to allow for the increased throughput.

The Company requires additional capital to fund the redevelopment of Aurizona and achieve gold pour by year-end 2018 and management is in the process of finalizing legal and formal documentation with respect to the Sprott Credit Facility which is expected to fund the construction of Aurizona.

Proven and probable mineral reserves for Aurizona were estimated in the Aurizona Feasibility Study at 971,000 ounces of gold at an average grade of 1.52 g/t gold, with 392,000 ounces of gold in the Proven category contained in 8.4 million tonnes at a grade of 1.44 g/t gold and 579,000 ounces of gold in the Probable category contained in 11.4 million tonnes at a grade of 1.58 g/t gold. Measured mineral resources are estimated at 415,000 ounces of gold contained in 8.9 million tonnes at a grade of 1.46 g/t gold, with additional Indicated mineral resources estimated at 1,016,000 ounces of gold contained in 19.4 million tonnes at a grade of 1.63 g/t gold. Measured and Indicated mineral resources are inclusive of mineral reserves. Aurizona hosts additional inferred resources in the open pit of 45,000 ounces of gold contained in 880,000 tonnes at a grade of 1.61 g/t gold and underground inferred resources of 490,000 ounces of gold contained in 5.1 million tonnes at a grade of 2.99 g/t gold.

The current reserve and resource model for Aurizona outlines a 6.5-year mine life. The Company believes the mine life can be extended with exploration success. The current mineral reserves are contained within the Piaba and Boa Esperança deposits, both of which remain open along strike and to depth. The Piaba West target is an approximately 900-metre long westerly extension of the Piaba pit. In Q2, Piaba West drilling successfully intersected significant gold mineralization within, below and up to 350 m along strike of the Piaba gold deposit reserve pit, including shallow and higher-grade mineralization along sections 1800W and 1850W as highlighted by 20.0 m grading 5.06 g/t gold in hole BRAZP596. The Tatajuba target is situated on the same structure as the Piaba deposit and represents a potential additional four-kilometre extension along the Piaba Trend. The Company plans to drill up to 30,000 metres at near-mine targets in 2017 with the objective of expanding the Aurizona resource base and extending the mine life.

In addition to the near-mine targets, surface mapping and sampling and limited drilling have identified a number of promising drill targets and more than 50-kilometre of cumulative strike of structures with anomalous to high-grade soil and rock geochemistry, which provide exploration opportunities longer term.

The broader Aurizona land package is being explored in a joint venture with AGA. As per the joint venture agreement, AGA can earn a 70% interest in the 191,400-hectare JV Greenfields land package by spending $14.0 million on exploration expenditures over a four-year period, with a minimum $2.0 million commitment in the first year. AGA commenced exploration in August 2016 and has exceeded its year-one minimum expenditure commitment. Regional airborne magnetic and EM surveys covering the entire land package, including Trek Mining's brownfields properties and the Aurizona Mine have been completed and data processing is underway. In parallel, work programs have focused on environmental permitting for the drilling program, geologic mapping of drill targets and regional soil geochemistry. Two drill rigs were mobilized in March 2017 with plans to complete 18,000 metres of drilling in 2017. Trek Mining will receive all data from AGA's exploration activities, which will focus drilling for Trek Mining's near-mine and brownfields exploration programs.

The JV Greenfields are also subject to a 2% NSR to Sandstorm, subject to the Company's right to reduce the NSR to 1% for $10.0 million prior to commercial production. The Aurizona Mine license and brownfields properties are subject to a gold price dependent sliding scale 3% to 5% NSR to Sandstorm.

Koricancha, Peru

Koricancha processes gold bearing material purchased from small scale and artisanal miners in Peru at a discount to the prevailing market price. The gold and silver produced is then sold at spot prices for Koricancha's account. Subsequent to the acquisition of Koricancha in October 2016, the Company resumed ramping up operations and intends to gradually increase throughput.

In September 2017, Trek substantially completed a restructure of the Koricancha JV Agreement whereby Trek, through its subsidiaries, became the majority shareholder of EMC Green Group ("EMC") and EMC became the primary interest holder in the Koricancha JV Agreement at 99.9% with the remaining interest held by Trek's wholly-owned subsidiary, Oro Proceso. On conclusion of the legal restructuring, Trek, through its subsidiaries, increased its ownership in the Koricancha gold mining operation in Peru from 75% to 83% and the 8% cost of goods sold royalty payable by Koricancha to Trek was eliminated.

The Company has a precious metals sales agreement to sell a portion of refined gold produced by Koricancha (the "Gold Sales Agreement"). In exchange for delivering 3.5% of gold ounces that are milled and processed by Koricancha, the Company received an upfront deposit totaling $5.0 million (the "Upfront Deposit"). In addition to the Upfront Deposit, the Company receives a payment equal to $100 per ounce of gold delivered pursuant to the Gold Sales Agreement. Once the gold ounces delivered pursuant to the agreement multiplied by the difference between the market price and $100 per ounce ("gold sales cash flow") exceeds $6.0 million, the percentage of gold ounces delivered will be reduced from 3.5% to 2.1%.

Warintza Property, Ecuador

Warintza is located in southeastern Ecuador, in the province of Morona Santiago, 40 kilometres north of the Mirador copper-gold development project. Warintza is a 100%-owned copper-molybdenum porphyry deposit consisting of mineral concessions (the “Warintza Concessions”) that cover a total of 26,777 hectares. 10,000 hectares of the Warintza Concessions are subject to a 2% NSR held by Billiton Ecuador B.V.

Over the past year the government of Ecuador has been increasing efforts to encourage sustainable and responsible mining in the country. The Company is in advanced discussions with various stakeholders to allow for further exploration and development of the project.

Ricardo Property, Chile

The Company holds a 100% interest in Ricardo, an exploration-stage porphyry copper prospect located in the Chuquicamata mining district of Northern Chile. The project is located along the West Fissure Fault, a crustal structure that extends for 5,000 kilometres from Chile through Peru and hosts numerous world-class porphyry deposits including Chuquicamata, Escondida and Zaldivar. Collectively, the Chuquicamata mining district hosts more than 130 million tonnes of copper in current resources and past production. The Ricardo claim block consists of approximately 16,000 hectares and is 25-35 kilometres south of Chuquicamata, which has produced more than 50 billion pounds of copper and has been in production since 1915. Geological evidence suggests that missing segments of Chuquicamata may have been displaced southward along the West Fissure Fault into the southern portion of the Ricardo Property.

While Ricardo presents a compelling exploration opportunity, the Company will likely seek a partner to fund further exploration of this project.

Elk Gold Property, Canada

Elk Gold, located near Merritt, BC, is within the Similkameen Mining District and consists of 27 contiguous mineral claims and one mining lease covering 16,566 hectares.

Approximately 51,500 ounces of gold were produced from Elk Gold between 1992 and 1995 from a test pit and underground mining exploration. In 2014, a total of 6,597 tonnes of mineralized material with an average grade of 16.7 grams per tonne gold was extracted from a bulk sample pit, for total production of 3,696 troy ounces of gold. The existing bulk sample permit allows for the extraction of 11,000 tonnes of mineralized material. Thus far 6,710 tonnes have been removed, leaving a permitted allowance of 4,290 tonnes of mineralized material.

The Company believes that Elk Gold has production and exploration potential and is considering its options to bring value from this project.

Financial results for the three and nine-month periods ended September 30, 2017

Selected unaudited consolidated results for the three and nine-month periods ended September 30, 2017 and 2016 are summarized below:

$ in millions, except per share amounts	Three months ended September 30, 2017	2016	Nine months ended September 30, 2017	2016
Revenue	$ 4.0	$ -	$ 9.8	$ -
Cost of sales	(4.9)	-	(11.6)	-
Gross margin (loss)	(0.9)	-	(1.8)	-
Care and maintenance expenses	(3.0)	-	(6.1)	-
Exploration expenses	(1.9)	(0.2)	(4.9)	(0.8)
Corporate administration	(2.7)	(0.2)	(6.0)	(0.5)
Loss from operations	(8.5)	(0.4)	(18.8)	(1.3)
Other income (expenses)	2.9	(0.3)	27.3	(1.2)
Net income (loss)	(5.6)	(0.7)	8.5	(2.5)
Other comprehensive income (loss)	(0.2)	(0.1)	0.1	0.3
Comprehensive income (loss)	(5.8)	(0.8)	8.6	(2.2)
Net income (loss) per share attributable to Trek Mining shareholders:				
Basic	$ (0.03)	$ (0.01)	$ 0.06	$ (0.18)
Diluted	(0.03)	(0.01)	0.00	(0.18)

As a result of two business combinations, one in Q4 2016 and the Luna Transaction in Q1 2017, variances between the financial results for the three and nine-month periods ended September 30, 2017 and 2016 are not readily comparable. The comparison of quarter-by-quarter variances included in the following section is more relevant.

Selected quarterly information

The following tables set out selected unaudited consolidated quarterly results for the last eight quarters through September 30, 2017:

$ in millions, except per share amounts	September 30, 2017	June 30, 2017	March 31, 2017	December 31, 2016[1]
Revenue	$ 4.0	$ 3.2	$ 2.6	$ 1.1
Cost of sales	(4.9)	(3.8)	(3.0)	(2.3)
Gross margin (loss)	(0.9)	(0.6)	(0.4)	(1.2)
Care and maintenance expenses [2]	(3.0)	(3.1)	-	-
Exploration expenses	(1.9)	(2.5)	(0.4)	(0.2)
Corporate administration	(2.7)	(2.3)	(1.0)	(0.7)
Loss from operations	(8.5)	(8.5)	(1.9)	(2.1)
Other income (expenses)	2.9	20.0	4.4	1.9
Net income (loss)	(5.6)	11.5	2.6	(0.2)
Other comprehensive income (loss)	(0.2)	(0.0)	0.4	0.3
Comprehensive income (loss)	(5.8)	11.5	3.0	0.1
Net income (loss) per share attributable to Trek Mining shareholders:				
Basic	$ (0.03)	$ 0.07	$ 0.04	$ 0.01
Diluted	(0.03)	0.03	0.02	0.01

$ in millions, except per share amounts	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015
Exploration expenses	$ (0.2)	$ (0.2)	$ (0.4)	$ (0.3)
Corporate administration	(0.2)	(0.1)	(0.2)	(0.2)
Loss from operations	(0.4)	(0.3)	(0.6)	(0.5)
Other (expenses) income	(0.3)	(0.6)	(0.3)	0.1
Net loss	(0.7)	(0.9)	(0.9)	(0.4)
Other comprehensive (loss) income	(0.1)	(0.0)	(0.3)	(0.3)
Comprehensive loss	(0.8)	(0.9)	(0.6)	(0.7)
Net loss per share attributable to Trek Mining shareholders basic and diluted	$ (0.01)	$ (0.05)	$ (0.08)	$ (0.07)

(1) There are no comparative results for revenue, cost of sales and gross margin (loss) prior to Q4 2016 as Koricancha was acquired in Q4 2016.

(2) There are no comparative results for care and maintenance expenses prior to Q2 2017 as Aurizona was acquired on March 31, 2017.

Revenue for Q3 2017 was $4.0 million on sales of 3,195 ounces of gold, compared to revenue of $3.2 million for Q2 from the sale of 2,545 ounces of gold.

Koricancha purchases all mill feed that it processes from third-party vendors. During the three months ended September 30, 2017, it purchased 6,552 tonnes, compared to 5,662 tonnes purchased in the preceding three months. Ore sourcing during the first half of the year was negatively impacted by higher than normal rainfall in Peru that affected the ability of its vendors to mine and transport material. The focus for the remainder of 2017 is to increase purchases of mineralized feed that will allow for increased throughput in the plant and greater gold production and sales.

Cost of sales reflects expenditures by Koricancha to purchase mineralized mill feed, processing costs and general and administration expenses at Koricancha incurred in the production of gold. The majority of these costs comprise mineralized mill feed purchase costs and consumption materials such as fuel, reagents and spares. Plant and administrative payroll and contracts for various services on site make up the remaining balance.

Cost of sales also includes amortization associated with the Koricancha plant. Cost of sales before inventory adjustments can vary on a quarter-by-quarter basis, subject to throughput, changes in input costs and foreign currency fluctuations. Koricancha gold sales started in December 2016. All start-up expenditures incurred in Q4 2016 were expensed.

Corporate administration in Q3 2017 increased to $2.7 million from $2.3 million in Q2 2017. The increase from prior quarter is a result an increase in professional fees incurred in relation to tax planning and review, debt finance arrangements and Brazil permitting of Aurizona.

During Q3 2017, the Company recorded a non-cash $2.0 million gain on change in fair value of derivative liabilities that is recorded in other income. The Company's share purchase warrants are considered derivatives as they are to be settled in Canadian dollars and the US dollar is the Company's functional currency. Accordingly, the Company's share purchase warrants are classified and accounted for as derivative liabilities at fair value through profit or loss. The fair value of the warrants is determined using the Black Scholes option pricing model at the period-end date or the market price on the TSX-V for warrants that are trading. The decrease in share price results in gains of $2.0 million and $27.7 million, respectively, for the three and nine-month periods ended September 30, 2017.

The Company sold available-for-sale investments during Q3 2017 for a gain of $0.4 million. For the nine months ended September 30, 2017, the gain on disposal of available for sale investments was $0.7 million. These realized gains for their respective periods were reclassified out of Comprehensive Income to Other Income. During the quarter, an increase in the fair value of available-for-sale investments of $0.1 million (Q3 2016 – $nil) was included in Comprehensive Income and $0.8 million was included for the nine months ended September 30, 2017.

Liquidity and capital resources

Working capital

At September 30, 2017, Trek Mining had $61.0 million in cash and marketable securities, consisting of $56.4 million in cash and cash equivalents and $4.6 million in available-for-sale investments, an increase from $40.6 million and $0.8 million, respectively, as at December 31, 2016. These balances include $1.7 million of cash and cash equivalents and $4.0 million of available-for-sale investments acquired from Luna Gold as part of the Luna Transaction.

Working capital was $51.5 million, up from $44.6 million as at December 31, 2016. The primary reason for the increase in cash and working capital was the completion of the non-brokered and brokered private placements in conjunction with the Luna Transaction, partially offset by the reclassification of $13.6 million of the Company's convertible debenture to a current liability.

As at September 30, 2017, accounts receivable and deposits were $7.2 million (December 31, 2016 – $3.4 million) composed of $4.5 million of value-added taxes receivable from the Peruvian government, $0.5 million of income taxes receivable from the Brazilian government, $1.7 million in miscellaneous receivables and $0.4 million of advances and prepaid expenses.

Inventory at September 30, 2017 totalled $3.3 million, up from $1.2 million at December 31, 2016. As at September 30, 2017, there was supplies inventory of $0.5 million, work-in-process of $2.7 million, and finished goods of $0.1 million (December 31, 2016 - $0.1, $1.1 and $nil million, respectively).

Included in current liabilities at September 30, 2017 is the current portion of the Company's convertible debenture of $13.6 million (December 31, 2016 - $nil). The amount is convertible at the Company's election and is due on June 30, 2018 and subject to a 19.9% ownership limitation by Sandstorm.

The Company has sufficient cash and working capital to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. However, the Company requires additional capital beyond the next 12 months to fund construction of new and expanded infrastructure at Aurizona and other activities to achieve a planned mine restart at Aurizona in late 2018. The Company's ability to continue as a going concern in the longer term is dependent on successful execution of its business plan, obtaining new debt or equity financing for Aurizona construction and ultimately generating net income and positive cash flow from mining and milling operations.

Cash flow

Cash flow use in operations for the nine months ended September 30, 2017 was $21.0 million (nine months ended September 30, 2016 - $1.2 million). The increase in cash used in operations over the comparative quarter in 2016 is due to expenditure on care and maintenance for Aurizona, completion of the Aurizona Feasibility Study, expenditures associated with the Aurizona exploration program, and an increase in corporate overheads due to the Luna Transaction. The Company was not involved in any of these activities in Q3 2016.

Cash flow used in investing activities for the nine months ended September 30, 2017 was $4.4 million (nine months ended September 30, 2016 – used $0.6 million). During Q3, the Company spent $5.6 million on property plant and equipment, which included expenditures for the following amounts at Aurizona: $1.4 million on acquiring property surface rights; $1.4 million on lifting the tailings storage facility; $0.9 million on engineering and preliminary construction activities; $0.7 million on refurbishment of the process plant and other equipment; $0.7 million on a deposit for the ball and SAG mills; and $0.3 million on a new waste incinerator. The expenditures on property, plant and equipment were offset by proceeds of $1.1 million received from the disposal of available-for-sale marketable securities.

Cash flows provided by financing activities for the nine months ended September 30, 2017 totalled $40.6 million (nine months ended September 30, 2016 - $36.1 million) related to $61.4 million net proceeds from brokered and non-brokered private placements that were completed in conjunction with the Luna Transaction in Q1 2017. Offsetting the funds raised from the private placements was the cash settlement of $20.8 million of debt acquired as part of the Luna Transaction. In addition, $0.3 million of warrants were exercised in Q1 2017.

Share capital transactions

See *"Business combination with Luna Gold"* for a description of the share capital issued in conjunction with the Luna Transaction.

The fair value of the warrants issued in conjunction with the Luna Transaction was calculated using the market price on the TSX-V. Of the total proceeds of $62.6 million, $14.1 million was allocated to the warrants and $48.5 million was allocated to common shares.

Commitments and contingencies

At September 30, 2017, the Company had the following contractual obligations outstanding:

	Total	Within 1 year	1-2 years	2-3 years	3-4 years	4–5 years	Thereafter
Convertible debenture	$ 30,000	$ 10,000	$ 10,000	$ 10,000	$ -	$ -	$ -
Interest on convertible debenture	6,357	4,827	1,019	511	-	-	-
Accounts payable and accrued liabilities	5,913	5,913	-	-	-	-	-
Purchase commitments	6,890	6,890	-	-	-	-	-
Lease commitments	643	324	204	106	9	-	-
Total	$ 49,803	$ 27,954	$ 11,223	$ 10,617	$ 9	$ -	$ -

Due to the nature of the Company's operations, various legal, tax, environmental and regulatory matters are outstanding from time to time. By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events. While the outcomes of these matters are uncertain, based on upon the information currently available, the Company does not believe that these matters in aggregate will have a material adverse effect on its consolidated financial statements. In the event that management's estimate of the future resolution of these matters changes, the Company will recognize the effects of these changes in its consolidated financial statements in the appropriate period relative to when such changes occur.

The Company is a defendant in various lawsuits and legal actions, principally for alleged fines, taxes and labour related matters in Brazil. Management regularly reviews these lawsuits and legal actions with outside counsel to assess the likelihood that the Company will ultimately incur a material cash outflow to settle the claim. To the extent management believes it is probable that a cash outflow will be incurred to settle the claim, a provision for the estimated settlement amount is recorded. As of September 30, 2017, the Company recorded a legal provision for these items totaling $2.0 million.

The Company is appealing municipal tax assessments in Brazil. Brazilian courts can require a taxpayer to post cash or a guarantee for the disputed amount before the courts will hear an appeal. It can take up to five years to complete an appeals process and receive a final verdict. The Company may in the future have to post cash or insurance bonds with respect to certain municipal tax assessments being appealed, the amounts and timing of which are uncertain. The Company and its advisor believe that the municipal tax assessments which are under appeal are wholly without merit and no provision has been recorded with respect to these matters.

In certain jurisdictions where the Company operates, entities that are exporters are permitted to maintain offshore bank accounts and are required to register all transactions resulting in deposits into and payments out of those accounts. The Company has identified that in certain instances it has not registered all transactions. The Company has been advised by its tax and foreign trade legal advisors that the maximum fines imposable under statute that could result from non-compliance are up to 15% of the unreported foreign currency transaction, with a five-year statute of limitations.

If the Company is unable to resolve all these matters favorably, there may be an adverse impact on the Company's financial performance, cash flows and results of operations.

Outstanding share data

As at the date of this report, the Company had 177,971,731 common shares, 3,338,180 common shares issuable under stock options, 113,999,894 common shares issuable under share purchase warrants and 2,926,866 common shares issuable under restricted share units. The fully diluted outstanding share count is 298,236,671.

Related party transactions

Pacific Road and Sandstorm are shareholders and related parties of the Company. The long-term debt that was held by Pacific Road and Sandstorm and settled in conjunction with the Luna Transaction, as described in "*Business combination with Luna Gold*", were related party transactions. The proposed amendment of the debenture with Sandstorm pursuant to the Beaty transaction, will also constitute a related party transaction with Sandstorm.

The purpose of the amendment of the debenture with Sandstorm pursuant to the Beaty Transaction is to incentivize Ross Beaty to act as chairman of Equinox Gold following the closing of the NewCastle and Anfield Transaction.

Financial instruments, risks and uncertainties

Descriptions of financial instruments and types of risks and uncertainties that the Company is exposed to, and its objectives and policies for managing such risks, are included in the Company's Joint Management Information Circular dated February 22, 2017 and 2016 Annual MD&A dated April 26, 2017, which are available on SEDAR at www.sedar.com.

Critical accounting policies and estimates

The Company's unaudited condensed consolidated interim financial statements are prepared in accordance with IFRS as issued by the IASB. The significant accounting policies applied and recent accounting pronouncements are described in Note 3 and Note 4 to the Company's 2016 annual audited consolidated financial statements, respectively.

In preparing the unaudited condensed consolidated interim financial statements in accordance with IAS 34, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. These estimates involve considerable judgement and are, or could be, affected by significant factors that are out of the Company's control. Actual results could differ from those estimates. Management reviews its estimates and assumptions on an ongoing basis using the most current information available. Revisions to estimates and the resulting effects on the carrying values of the Company's assets and liabilities are accounted for prospectively. For a description of the critical judgements in application of accounting policies and information about assumptions and estimation uncertainties, refer to the Company's MD&A for the year ended December 31, 2016, which is available on SEDAR at www.sedar.com. Additional critical judgements applied in the preparation of the unaudited condensed consolidated interim financial statements include determining that the acquisition of Luna Gold is a business combination and that Trek Mining is the acquirer for accounting purposes, and determining the preliminary fair values of the assets and liabilities acquired as part of the Luna Transaction.

Limitations of controls and procedures

The Company's management, including the Chief Executive Officer and the Chief Financial Officer, believe that any disclosure controls and procedures or internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, the Company's management cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgements in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any control system is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Recent accounting pronouncements

There were no changes in accounting policies during the three months or nine months ended September 30, 2017. Several new and revised standards have been issued but are not yet effective. Please refer to Note 3 of the 2016 annual audited consolidated financial statements for details.

Forward-looking statements

This MD&A includes certain statements that constitute "forward-looking statements", and "forward-looking information" within the meaning of applicable securities laws ("forward-looking statements" and "forward-looking information" are collectively referred to as "forward-looking statements", unless otherwise stated). These statements appear in a number of places in this MD&A and include statements regarding the Company's intent, or the beliefs or current expectations of the Company's officers and directors. Such forward-looking statements involve known and unknown risks and uncertainties that may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this MD&A, words such as "believe", "anticipate", "estimate", "project", "intend", "expect", "may", "will", "plan", "should", "would", "contemplate", "possible", "objective", "anticipates", "seeks" and similar expressions are intended to identify these forward-looking statements. Forward-looking statements may relate to the Company's future outlook and anticipated events, such as the Company's ability to achieve the results anticipated in the Aurizona Feasibility Study, planned development activities at Aurizona and timing of the anticipated restart of production, the Company's ability to complete the financing required to construct Aurizona, receipt and completeness of Aurizona permits, exploration results at Aurizona and the Company's ability to expand the resource base and extend the Aurizona mine life, Koricancha production and operations, other conditions and risks associated with the NewCastle and Anfield Transaction and the Credit Facility, and other statements regarding the Company's assets and the Company's future financial position, business strategy, budgets, litigation, projected costs, financial results, exploration results, taxes, plans and objectives. The Company has based these forward-looking statements largely on the Company's current expectations and projections about future events and financial trends affecting the financial condition of the Company's business. These forward-looking statements were derived using numerous assumptions regarding expected growth, results of operations, performance and business prospects and opportunities that could cause the Company's actual results to differ materially from those in the forward-looking statements. While the Company considers these assumptions to be reasonable, based on information currently available, they may prove to be incorrect. Accordingly, readers are cautioned not to put undue reliance on these forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results. To the extent any forward-looking statements constitute future-oriented financial information or financial outlooks, as those terms are defined under applicable Canadian securities laws, such statements are being provided to describe the current anticipated potential of the Company and readers are cautioned that these statements may not be appropriate for any other purpose, including investment decisions. Forward-looking statements are based on information available at the time those statements are made and/or management's good faith belief as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Forward-looking statements speak only as of the date those statements are made. Except as required by applicable law, the Company assumes no obligation to update or to publicly announce the results of any change to any forward-looking statement contained or incorporated by reference herein to reflect actual results, future events or developments, changes in assumptions or changes in other factors affecting the forward-looking statements. If the Company updates any one or more forward-looking statements, no inference should be drawn that the Company will make additional updates with respect to those or other forward-looking statements. All forward-looking statements contained in this MD&A are expressly qualified in their entirety by this cautionary statement.

Technical information

David Laing, BSc, MIMMM, Trek Mining's COO, and Scott Heffernan, MSc, P.Geo. Trek Mining's EVP Exploration, are the Qualified Persons under National Instrument 43-101 for Trek Mining and have reviewed, approved and verified the technical content of this document.