INDEPENDENCE GOLD CORP.

MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS, FORM 51-502F1
For the year ended December 31, 2017

This Management's Discussion and Analysis ("**MD&A**") compares the financial results of Independence Gold Corp. and its wholly-owned subsidiaries, Golden Pavilion Resources Ltd. and Silver Quest Resources (US) Ltd. (collectively, "**Independence**" or the "**Company**") for the twelve month period ended December 31, 2017 ("**fiscal 2017**") with the comparable period in 2016 ("**fiscal 2016**"). This MD&A should be read in conjunction with the audited consolidated financial statements and accompanying notes for the recently completed financial and the MD&A's for all relevant periods, copies of which are filed under the Company's profile on the SEDAR website, www.sedar.com.

Independence was incorporated under the *Business Corporations Act* (British Columbia) on November 1, 2011 and commenced trading on the TSX Venture Exchange (the "**Exchange**") on December 29, 2011 under the symbol "IGO". The Company's head office and principal address is 1020 - 625 Howe Street, Vancouver, British Columbia, Canada, V6C 2T6. The Company's registered and records office is 2300 - 550 Burrard Street, Vancouver, British Columbia, Canada, V6C 2B5.

The Company is considered to be in the exploration stage with respect to its mineral properties. No mineral resources have been identified on the Company's mineral properties in the Yukon. An inferred mineral resource has been defined on the 3Ts property in British Columbia.

The Company prepares its financial statements in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

The information contained in this document is provided as of April 26, 2017 (the "**Report Date**").

<u>OVERVIEW</u>

Independence is principally engaged in the evaluation, acquisition and exploration of precious metal properties that are located in North America. The Company's projects range from early-stage grassroots exploration through advanced-stage resource delineation and expansion. The Company's business model is to build shareholder value through systematic project advancement while concurrently maintaining an opportunistic approach to the acquisition of additional precious metals properties. Independence actively manages its property portfolio, farming out or relinquishing properties when exploration results suggest that further expenditures by the Company are unwarranted.

Independence has no producing operations and as a consequence, the Company does not generate any operating income or a positive cash flow. Exploration of its properties is therefore entirely dependent on the Company's ability to access public equity markets to raise sufficient capital and/or its ability to attract joint venture partners to finance further work on its properties. However, with working capital of approximately $2.9 million at December 31, 2017, Independence is adequately financed to support its anticipated exploration programs in the near term.

Mineral Projects

Independence currently holds interests in one exploration project in central British Columbia and several projects in the Yukon Territory. With the exception of the British Columbia project, the projects are at an early stage of exploration and evaluation, and no resources have been identified. Ms. Kendra Johnston, P. Geo, President, is the Company's Qualified Person, as defined by National Instrument ("NI") 43-101, for the Company's mineral projects, has reviewed the technical information in this MD&A.

3Ts Project, British Columbia

The 3Ts Project is located approximately 120 kilometres ("**km**") southwest of Vanderhoof and consists of six contiguous claim groups: the Tsacha, Tam, Taken, Tommy Lakes, Bot and Blackwater South properties. Collectively, the six properties are made up of fourteen mineral claims covering approximately 4,934 hectares in the Nechako Plateau region of central British Columbia. Independence owns a 100% interest in all six properties, four of which are subject to various net smelter return ("**NSR**") royalties that are payable to the vendors of the properties.

The 3Ts Project covers an epithermal quartz-carbonate vein system within which more than a dozen individual mineralized veins, ranging up to 900 metres ("**m**") in strike length and up to 20 m in true width, have been identified.

Mineral Resource Estimate

In 2014, the Company updated the mineral resource estimate for the 3Ts Project to incorporate results from the 2012 and 2013 diamond drilling programs on the Ted and Mint veins. The Inferred Resource estimate increased by 12% for the contained ounces of gold and 27% for the contained ounces of silver at a cut-off grade of 1.0 gram per tonne (**"g/t"**) gold. This inferred resource is estimated to contain a total of 441,000 ounces of gold and 12,540,000 ounces of silver.

Gold		Gold		Silver	
Cut-off Grade (g/t)	**Tonnes**	**Grade (g/t)**	**Ounces**	**Grade (g/t)**	**Ounces**
Tommy Vein					
0.5	1,615,000	3.99	207,000	39.70	2,059,000
1.0	**1,490,000**	**4.25**	**204,000**	**41.90**	**2,009,000**
1.5	1,371,000	4.52	199,000	44.30	1,953,000
2.0	1,182,000	4.96	189,000	48.00	1,824,000
Ted Vein					
0.5	2,984,000	1.62	156,000	93.5	8,974,000
1.0	**2,942,000**	**1.64**	**155,000**	**94.7**	**8,955,000**
1.5	2,763,000	1.72	153,000	99.5	8,837,000
2.0	2,484,000	1.83	146,000	107.45	8,575,000
Mint Vein					
0.5	1,036,000	2.47	82,000	47.5	1,581,000
1.0	**1,020,000**	**2.51**	**82,000**	**48.0**	**1,576,000**
1.5	957,000	2.63	81,000	50.4	1,552,000
2.0	829,000	2.94	78,000	53.0	1,411,000
Total Inferred Resources					
0.5	5,635,000	2.46	445,000	69.6	12,614,000
1.0	**5,452,000**	**2.52**	**441,000**	**71.5**	**12,540,000**
1.5	5,091,000	2.61	433,000	75.4	12,342,000
2.0	4,495,000	2.86	413,000	81.7	11,810,000

The Inferred Resource Estimate for the 3Ts Project was prepared by Allan Armitage, Ph. D., P. Geo of GeoVector Management Inc. in accordance with NI 43-101. NI 43-101 of the Canadian Securities Administrators – Standards for Disclosure for Mineral Projects – requires that each category of mineral reserves and mineral resources be reported separately. Readers should refer to the Company's continuous disclosure documents available at www.sedar.com for this detailed information, which is subject to the qualifications and notes therein.

In the fourth quarter of 2016, the Company carried out a mobile metal ion ("**MMI**") soil sampling program on the property. The work was centered on the known veins and underexplored areas, intending to determine if this soil sampling method could recognize the locations of the Tommy, Ted and Mint veins, as well as discover new target areas. The method proved to be effective with gold, silver, zinc, lead and cadmium all returning elevated results down-ice from the Ted Vein, as well as outlining anomalous areas that require more follow-up. In the second quarter of 2017, the Company carried out a second round of MMI soil sampling in conjunction with a mapping and prospecting program. This program successfully identified five new target areas for follow-up drilling which could identify new mineralized veins below till cover.

Also in the fourth quarter of 2016, a desktop study of the three veins comprising the 3Ts resource was completed to better understand the controlling features on mineralization. Within all three veins, a central core occurs where the veins range up to 25 m in true thickness and exhibit a sub-vertical, northerly-directed plunge, as defined by the highest grades within the veins. Within all three veins mineralization is open at depth, as well as along strike to the north. The exploration potential is highlighted by drill hole TS05-108 which tested the northern region of the Tommy Vein and returned 12.6 g/t gold and 66.8 g/t silver over 7.6 **m** in a subparallel vein located 80 m east of the Tommy Vein. This intercept occurs at a depth of 200 m below surface and is open for expansion in all directions.

Boulevard Project and Other White Gold Properties, Yukon Territory

Boulevard Project, Yukon Territory

During the second quarter of 2017, the Company expanded the Boulevard Project and it now consists of four contiguous properties (Boulevard, YCS, Solitude and Tiger) totaling 958 quartz mining claims covering approximately 19,960 hectares. The Project is located in the Whitehorse Mining District, 135 km south of Dawson City, Yukon, 35 km south of White Gold Corp's Golden Saddle deposit and contiguous to the Coffee Project owned by Goldcorp Inc.

Exploration work by the Company on the Boulevard Project has identified three significant gold-in-soil anomalies (Zones): the Sunset/Sunrise Zone (including the Hollywood trend); the Denali Zone (including the Kahiltna trend), and the Runway Zone.

The Sunset and Sunrise trends together comprise a continuous northwest trending multi-element soil anomaly that extends over 2,400 m in length. The eastern margin of the Sunrise Zone also defines a northeasterly trend that extends for 1,400 m. The western portion of the anomaly was tested in 2008 and 2010 with 4,960 m of core drilling and in 2015 and 2016 with 4,241 m of reverse circulation ("**RC**") drilling. In 2015 the Company completed a twenty-one RC drill hole program to evaluate untested geochemical soil anomalies. the Company intersected 7.23 g/t gold across 12.2 m in hole BV15-31 and in BV15-40, intersected 15.00 g/t gold across 3.05 m, including 27.90 g/t gold across 1.53 m in weakly oxidized and sericite-altered quartzite.

In 2016, further RC drilling within the Sunset/Sunrise Zone returned 7.73 g/t gold across 6.1 m in BV16-54, positioned within a broad zone that returned 1.58 g/t gold over 39.6 m. BV16-53 intersected 8.27 g/t gold over 3.1 m starting at 18.3 m down hole. Based on the available core and RC drill data, the two primary controls on mineralization are the presence of massive quartz veins, comprising up to 80% of the rock and a resistive quartzite host rock. Pyrite +/- arsenopyrite and stibnite are irregularly developed within mineralized zones and oxidation levels are variable but proved more extensive in the 2016 mineralized intercepts. All drill holes completed in 2015 and 2016 were oriented to the east to effectively cross-cut the southwest striking, steeply northwest dipping quartz veins.

Additionally, in the 2016 field season, a total of 1,545 m of RC drilling was completed in 15 holes at the Denali Zone, situated 14.5 km to the west of the Coffee deposit, along an interpreted continuation of the Coffee Creek fault system. The primary focus for this drilling program was to test along strike and down dip of drill hole YCS15-03 which returned 4.25 g/t gold over 6.1 m. Results from the 2016 drilling indicate that the mineralized zone appears to dip moderately to the north-northeast, as indicated in YCS16-08 which returned 4.28 g/t gold across 4.6 m. Mineralization at Denali is variably hosted in quartzite and quartz biotite schist and is typically associated with an increase in fine grained pyrite and arsenopyrite. Soil sampling elsewhere on the Boulevard property has outlined gold-arsenic-antimony soil anomalies that range up to 1,000 m in length and are open for expansion.

During the 2017 field season, a total of 977.5 m of drilling was completed in nine holes within the Sunrise/Sunset Zone. Drilling focused primarily on the intersection of the Sunrise and Sunset trends which have been identified as multi-element soil geochemical anomalies. The best results from this program are BV17-58 which intersected 3.10 g/t gold over 1.5m including 76.2 g/t gold in the coarse fraction of the sample; BV17-60 which intersected 2.97 g/t gold over 4.5 m including 14.03 g/t gold found in the coarse fraction of the sample and BV17-65 which intersected 2.58 g/t gold over 4.5 m including 5.02 g/t gold over 1.40 m. The 1.4 m long intersection in BV17-65 also exhibited a nugget effect resulting in 42.7 g/t gold in the coarse fraction of that sample. The "nugget effect" in the gold mineralization was identified during the 2017 field program. Follow-up work and re-analysis of previous years drilling is recommended.

In addition, the 2017 program included the collection of 2,400 soil samples and the discovery of multiple new soil anomalies as well as the extension of some previously identified soil anomalies. The Boulevard Project now contains 25 distinct anomalous trends. The Company expanded the Denali Zone by extending the Kahiltna trend to 1.7 km and identifying the new D3 (1.5 km) and D4 (3.3 km) trends. The Company also identified the new Runway Zone, consisting of three trends, R1 (5.4 km), R2 (1.2 km) and RS (2.2 km), as well as the newly named Lewes trend (1.0 km).

Moosehorn Property, Yukon Territory

The Moosehorn property is owned 100% by the Company. The property consists of 82 quartz mining claims covering an area of approximately 1,720 hectares. Moosehorn is located in the Whitehorse Mining District, approximately 130 km southwest of Dawson City, Yukon.

During the 2016 summer field season, the Company completed two additional soil geochemical sampling grids and extended the soil geochemical anomaly, identified by 75th percentile gold and arsenic from 1,200 m to 1,400 m. The soil anomaly was extended a further 150 m to a total length of 1,550 m during the 2017 soil sampling program and the anomaly remains open to the north.

In addition, the Company excavated a total of 527 m in three trenches on Moosehorn in 2016, confirming gold mineralization in sub-crop in each trench. Trench 1 intersected 2.0 m of 5,140 parts per billion ("**ppb**") gold. Trench 2 intersected 6.0 m of 730 ppb gold and 6.0 m of 524 ppb gold. Detailed quartz vein sampling within the anomalous zones of trench 2 returned values ranging from 100 to 1,600 ppb gold. All gold values occur within a broader arsenic halo with values ranging from below detection to 3,990 ppm. During the 2017 field program, the company completed 22 geoprobe drill holes approximately 5 m apart along a line orientated obliquely to the soil anomaly. The majority of the geoprobe holes were highly anomalous in arsenic, and minimally anomalous in gold. The Moosehorn property is underlain by a granodiorite intrusion and is situated approximately 2 km south of an active placer gold operation.

Henderson Property, Yukon Territory

The Henderson property is owned 100% by the Company. The property consists of 742 quartz mining claims covering an area of approximately 15,500 hectares. This property is located in the Dawson Mining District, approximately 60 km south of Dawson City, Yukon, and is strategically located west of White Gold Corp's JP Ross property. The Henderson property covers an area of active placer mining along North Henderson Creek. Cross-cutting fault structures are interpreted to underlie stretches of the creek where coarse placer gold nuggets have been recovered. The Company attempted to test these cross-cutting fault structures with a Rotary Air Blast ("**RAB**") drill during the 2017 field season. The drill was inadequate to test the fault structures underlying the North Henderson Creek area and target depths were not reached. Shallow bedrock samples in the area were collected, but did not return any anomalous old values.

Stinger Property, Yukon Territory

During the second quarter of 2017, the Company staked 4,384 hectares named the Stinger property. The property is located 66 km to the west of Dawson City, Yukon, within the Sixtymile Area of the White Gold District. The claims were acquired using a proprietary stream sediment dataset that outlines an area anomalous in gold, silver, lead, zinc, arsenic and antimony. The claims are located on the east side of the northeast-trending Sixtymile-Pika fault system, southwest of the Tintina Fault. Two generations of Cretaceous-aged intrusions occur within the Yukon-Tanana host rocks, and have been linked to numerous vein-style and intrusion-related mineral occurrences in the Yukon and Alaska. The Company completed first - pass ridge and spur soil sampling and prospecting program on the property during the 2017 field season.

For additional information please visit the Company's website www.ingold.ca.

RESULTS OF OPERATIONS

For the twelve months ended December 31, 2017 and 2016

The net loss for the twelve months ended December 31, 2017 was $2,630,163 compared to $2,607,139 for the prior year's comparative period.

Expenses for twelve months ended December 31, 2017 amounted to $2,776,399 (2016 - $2,529,482). Exploration expenditures were higher in 2017 as result of the expanded program on the Moosehorn and Rosebute properties. Rent was lower as result of the downsizing the corporate office in early 2016, partially offset by higher office and miscellaneous expenses relating to the move of the head office. During fiscal 2017, the Company issued 2,400,000 options (2016 – 630,000) resulting in share-based compensation expense of $354,852 (2016 - $56,441)

During the fiscal year ended 2017, the Company sold its interest in the Keno Hill properties to Metallic in exchange for shares and warrants of Metallic resulting in realized a gain on sale of approximately $68,000.

Unrealized gain on marketable securities amounted to $26,900 (2016 – Gain $250) as a result of the change in the fair value.

Write-down of mineral properties amounted to $nil (2016 - $145,250). In fiscal 2016, the write-down was a result of the decision to terminate the agreement on the Rosebute Property.

The operating losses are a reflection of the Company's status as non-revenue producing mineral exploration company. As the Company has no main source of income, losses are expected to continue for the foreseeable future.

For the three months ended December 31, 2017

In the period, the Company recorded a loss of $377,323 (2016 - $639,072).

Total expenses for the fourth quarter were $416,101 (2016 - $508,263). In the fourth quarter of 2015, a mineral tax refund in the amount of $174,103 was received offsetting expenditures in the period.

During the fourth quarter, the Company took a write-down on certain properties in the amount of $nil as compared to $145,250 in the fourth quarter of the prior year.

Summary of Quarterly Results

The following table summarizes information derived from the Company's financial statements for each of the eight most recently completed quarters.

Year: **Quarter Ended:**	**2017** **Dec 31**	**2017** **Sep 30**	**2017** **Jun 30**	**2017** **Mar 31**	**2016** **Dec 31**	**2016** **Sep 30**	**2016** **Jun 30**	**2016** **Mar 31**
Net sales or total revenue	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil
Net income (loss):								
(i) in total (000s)	$(377)	$(1,267)	$(390)	$(596)	$(639)	$(1,142)	$(548)	$(278)
(ii) per share[1]	$(0.01)	$(0.02)	$(0.01)	$(0.01)	$(0.01)	$(0.02)	$(0.01)	$(0.01)

(1) Fully diluted loss per share amounts are not shown as they would be anti-dilutive.

While the information set out in the foregoing table is mandated by *National Instrument 51-102,* it is management's view that the variations in financial results that occur from quarter to quarter are not particularly helpful in analyzing the Company's performance. It is in the nature of the business of junior exploration companies that unless they sell a mineral interest for a sum greater than the costs incurred in acquiring such interest, they have no significant net sales or total revenue.

Significant variances in the Company's reported loss from quarter to quarter most commonly arise from several factors that are difficult to anticipate in advance or to predict from past results. These factors include: (i) level of exploration and project evaluations expenses incurred, (ii) decisions to write off acquisition costs when management concludes there has been an impairment in the carrying value of a mineral property, or the property is abandoned, and (iii) the vesting of incentive stock options, which results in the recording of amounts for share-based compensation expense that can be quite large in relation to other general and administrative expenses incurred in any given quarter.

Selected Annual Information

Year	**2017**	**2016**	**2015**
Net sales or total revenue	$Nil	$Nil	$Nil
Net income (loss):			
(i) in total (000s)	($2,630)	($2,607)	($3,149)
(ii) per share [1]	($0.05)	($0.05)	($0.07)
Total Assets (000's)	$15,318	$17,407	$17,708

(1) Per share amounts are calculated using the weighted average number of shares outstanding. Fully diluted loss per share amounts have not been calculated, as they would be anti-dilutive.

Financing Activities

During the twelve months ended December 31, 2017, the Company received gross proceeds of $120,000 (2016 – $2,048,778) from the issuance of shares and paid shares issue costs $nil (2016 - $35,857).

Investing Activities

During the twelve months ended December 31, 2017, the Company withdrew $1,904,955 (2016 – $996,566) in short term investments. During the same time period, the Company invested $nil (2016- $134,149) in leasehold improvements that will be amortize over 5 years (the term of the lease) and $60,445 (2016 – $79,250) in property acquisitions.

Off Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Transactions with Related Parties

The Company has two wholly-owned subsidiaries: Golden Pavilion Resources Ltd. (incorporated in British Columbia); and Silver Quest Resources (US) Ltd. (incorporated in Nevada). There was no activity in either company during the year ended December 31, 2017.

Key Management Personnel

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of executive and non-executive members of the Company's Board of Directors and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

The Company entered into the following transactions with related parties and key management personnel during the twelve months ended December 31, 2017:

Paid or accrued the following to Rand Explorations Ltd., a company controlled by Randy Turner, the Chief Executive Officer of the Company:

		2017		2016
Management fees	$	159,163	$	165,750
Geological consulting fees		27,229		29,250
Share based compensation		76,250		6,719

Paid or accrued the following to Falkirk Resources Consultants, a company controlled by Michael McPhie, who acted as the interim Chief Executive Officer of the Company from July 3, 2017 to December 1, 2017:

		2017		2016
Management fees	$	24,000	$	-
Director fees		9,000		9,000
Share based compensation		47,798		6,719

Paid or accrued the following to Ms. Kendra Johnston, who started her tenure on July 3, 2017 as the interim President and from December 1, 2017 as the President of the Company:

		2017		2016
Salaries	$	81,000	$	-
Geological salaries		54,000		-
Share based compensation		9,673		-

Paid or accrued the following to Susan Neale, the former Chief Financial Officer of the Company, whose tenure ended on November 30, 2017:

		2017		2016
Management fees	$	28,600	$	27,300
Share based compensation		22,875		4,032

Paid or accrued the following to Harry Chan, who started his tenure on December 1, 2017 as the Chief Financial Officer of the Company:

		2017		2016
Management fees	$	6,000	$	-

Paid or accrued the following to David Pawliuk, the former Vice President – Exploration and a former officer of the Company:

	2017	2016
Geological consulting fees:	$ -	$ 38,200
Property investigation	-	25,467

Paid or accrued the following to non-executive directors of the Company:

	2017	2016
Director fees	$ 22,000	$ 24,750
Share based compensation	160,125	20,157

The Company provides geological, office and administrative services to public companies with common directors. During the period ended December 31, 2017 the Company received or accrued $52,850 (2016 – $46,800) for rent and $98,729 (2016 - $85,354) for accounting, investor relations and consulting services.

Included in receivables at December 31, 2017 is $258,576 (December 31, 2016 - $136,257) due from companies with directors and/or officers in common. Included in accounts payable and accrued liabilities at December 31, 2017 is $125,605 (2016 - $95,876) due to directors and companies with directors and/or officers in common.

LIQUIDITY AND CAPITAL RESOURCES

Independence has no operations that generate cash flows and the Company's future financial success will depend on the discovery of one or more economic mineral deposits. This process can take many years, can consume significant resources and is largely based on factors that are beyond the control of the Company's management.

For the foreseeable future, Independence will rely upon its ability to raise financing through the sale of equity. This is dependent on positive investor sentiment, which in turn is influenced by a positive climate for precious metal exploration generally, a company's track record and the experience and calibre of a company's management.

There is no assurance that Independence will be able to access equity funding at the times and in the amounts required to fund the Company's activities. The outlook for the world economy remains uncertain and vulnerable to various events that could adversely affect the Company's ability to raise additional funds going forward.

Cash and Financial Condition

The Company's working capital was approximately $2.9 million at December 31, 2017, which is sufficient to cover anticipated operating costs and expenditures on the exploration programs on its properties for the near term. Nevertheless, the Company will evaluate offers of financing to enable the Company to maintain a strong balance sheet while continuing to fund exploration projects that are generating positive results.

Independence has no other debt, does not have any unused lines of credit or other arrangement in place to borrow funds, and has no off-sheet balance arrangement. The Company has no current plans to use additional debt financing and does not use hedges or other financial derivatives.

Financial Instruments

The Company's financial instruments currently consist of cash and cash equivalents, short-term investments, marketable securities, receivables, prepaid expenses, exploration advances and land-use deposits, and accounts payable and accrued liabilities. The fair value of cash and cash equivalents, marketable securities and short-term investments are measured based on Level 1 of the fair value hierarchy. The fair value of receivables, prepaid expenses, exploration advances and land-use deposits and accounts payable and accrued liabilities approximate their book values because of the short-term nature of these instruments. Moreover, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

NEW IFRS STANDARDS NOT YET ADOPTED

The following new standards, amendments to standards and interpretations have been issued but are not effective during the year ended December 31, 2017:

IFRS 9, Financial Instruments ("IFRS 9") was issued by the IASB in October 2010 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of its financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is required to be applied for annual periods beginning on or after January 1, 2018.

The Company expects that this new IFRS standard will have an insignificant effect on its consolidated financial statements other than increased note disclosure.

IFRS 16, Leases: On January 13, 2016 the IASB issued IFRS – Leases. The standard is effective for periods beginning on or after January 1, 2019.

The Company expects that this new IFRS standard will have an insignificant effect on its consolidated financial statements.

RISK FACTORS

As a company active in the mineral resource exploration and development industry, Independence is exposed to a number of risks.

Exploration Stage Operations

The Company's operations are subject to all of the risks normally incident to the exploration for and the development and operation of mineral properties. The Company has implemented comprehensive safety and environmental measures designed to comply with government regulations and ensure safe, reliable and efficient operations in all phases of its operations. The Company maintains liability and property insurance, where reasonably available, in such amounts it considers prudent. The Company may become subject to liability for hazards against which it cannot insure or which it may elect not to insure against because of high premium costs or other reasons.

All of the Company's properties are still in the exploration stage. Mineral exploration and exploitation involves a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to avoid. Few properties that are explored are ultimately developed into producing mines.

Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, tailings impoundment failures, cave-ins, landslides and the inability to obtain adequate machinery, equipment or labour are some of the risks involved in mineral exploration and exploitation activities. Substantial expenditures are required to establish mineral reserves and resources through drilling, to develop metallurgical processes to extract the metal from the material processed and to develop the mining and processing facilities and infrastructure at any site chosen for mining.

There is no assurance that commercial quantities of ore will be discovered. Even if commercial quantities of ore are discovered, there is no assurance that the properties will be brought into commercial production or that the funds required to exploit mineral reserves and resources discovered by Independence will be obtained on a timely basis or at all. The commercial viability of a mineral deposit once discovered is also dependent on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices. Most of the above factors are beyond the control of the Company. In the event that commercial viability is never attained, the Company may seek to transfer its property interests or otherwise realize value or may even be required to abandon its business and fail as a "going concern".

Competition

The mining industry is intensely competitive in all of its phases and the Company competes with other companies with greater technical and financing resources than itself with respect to acquiring properties of merit, the recruitment and retention of qualified employees and other persons to carry out its mineral exploration activities. Competition in the mining industry could adversely affect the Company's prospects for mineral exploration in the future.

Financial Markets

Independence is dependent on the equity markets as its principal source of operating working capital and the Company's ability to attract investment is largely determined by the strength of the junior resource markets and by the status of the Company's projects in relation to these markets and its ability to compete for investor support of its projects.

Environmental and Government Regulation

Mining and exploration activities are subject to various laws and regulations relating to the protection of the environment, historical and archaeological sites and endangered and protected species of plants and animals. Although the exploration activities of the Company are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing the operations and activities of the Company or more stringent implementation thereof could have a substantial adverse impact on the Company.

Title to Properties

While the Company has investigated title to all of the properties for which it holds concessions or other mineral leases or licenses or in respect of which it has a right to earn an interest, the Company cannot guarantee that title to such properties will not be challenged or impugned. The Company can never be certain that it will have valid title to its mineral properties. The Company does not carry title insurance on its properties. A successful claim that the Company does not have title to a property could cause the Company to lose its rights to that property, perhaps without compensation for its prior expenditures relating to the property.

First Nations

Negotiations with First Nations and or aboriginal groups can add an additional layer of risk and uncertainty to efforts to explore and develop mineral deposits in many areas of Canada. The nature and extent of First Nations and or aboriginal rights and title remains the subject of active debate, claims and litigation in Canada, including with respect to intergovernmental relations between First Nations and or aboriginal authorities and federal, provincial and territorial authorities. There can be no guarantee that such claims will not cause permitting delays, or additional costs for the Company's interest in Canada.

Government actions

The Company's exploration activities require permits from various governmental agencies charged with administering laws and regulations governing exploration, labour standards, occupational health and safety, control of toxic substances, waste disposal, land use, environmental protection and other matters. Failure to comply with laws, regulations and permit conditions could result in fines and/or stop work orders, costs for conducting remedial actions and other expenses. In addition, legislated changes to existing laws and regulations could result in significant additional costs to comply with the revised terms and could also result in delays in executing planned programs pending compliance with those terms.

There is no assurance that the government of any jurisdiction in which the Company holds properties will not change environmental regulations or taxation policies in a manner that would adversely affect the economic viability of those properties.

OUTSTANDING SECURITIES DATA

On the Report Date, the Company had the following securities outstanding:

Common Shares	56,090,392
Options	3,370,000
Fully Diluted	59,460,392

OUTLOOK

Independence has assembled a significant land position in several districts in the Yukon, the Company's primarily focus in 2017. The Company has also identified an inferred resource on the 3Ts Project on the Nechako Plateau in British Columbia. During the 2017 field season, the Company completed a total of 977 m of RC drilling in nine holes on its Boulevard Project. Results from four of the nine diamond drill holes have been received and the best intercept in these four holes is 3.10 g/t gold over 1.5 m including 76.2 g/t gold in the coarse fraction (24.1 g) of an 875 grams sample over the same interval. Results from the remaining five holes are still pending. The Company is reviewing the results from the current field season soil sampling and drill programs to determine how best to continue to explore its properties.

In addition, the Company continues to evaluate and discuss with other parties potential gold and silver projects for possible acquisition, potential transactions and corporate opportunities.

FORWARD-LOOKING INFORMATION

Certain of the statements made and information contained herein is "forward-looking information" within the meaning of the British Columbia Securities Act. This includes statements concerning the Company's plans at its mineral properties, which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Forward-looking information is subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking information, including, without limitation, the ability of the Company to continue to be able to access the capital markets for the funding necessary to acquire and maintain exploration properties and to carry out its desired exploration programs; competition within the minerals industry to acquire properties of merit, and competition from other companies possessing greater technical and financial resources; difficulties in executing exploration programs on the Company's proposed schedules and within its cost estimates, whether due to weather conditions in the areas where it operates, increasingly stringent environmental regulations and other permitting restrictions, or other factors related to exploring of its properties, such as the availability of essential supplies and services; factors beyond the capacity of the Company to anticipate and control, such as the marketability of mineral products produced from the Company's properties, government regulations relating to health, safety and the environment, and the scale and scope of royalties and taxes on production; the availability of experienced contractors and professional staff to perform work in a competitive environment and the resulting adverse impact on costs and performance and other risks and uncertainties, including those described in each management's discussion and analysis of financial condition and results of operations. In addition, forward-looking information is based on various assumptions including, without limitation, assumptions associated with exploration results and costs and the availability of materials and skilled labour. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward-looking information. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information, whether as a result of new information, future events or otherwise.