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**MANAGEMENT DISCUSSION AND ANALYSIS**

**For the Six Months ended November 30, 2015**

**Contact Person**  
**Contact's Position**  
**Contact's Telephone Number**  
**Date of the Report**  
**E-Mail Address**  
**Website**

**Fred Hewett**  
**President & C.E.O.**  
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**January 22, 2016**  
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**Form 51-102F1**  
**Management Discussion and Analysis**  
**For**  
**New Dimension Resources Ltd.**  
**(“NDR” or the “Company”)**

The following management’s discussion and analysis (“MD&A”) of the Company has been prepared as of January 22, 2016 and is intended to supplement and complement the Company’s unaudited condensed interim consolidated financial statements for the six months ended November 30, 2015 and should be read in conjunction with the audited financial statements of the Company for the years ended May 31, 2015 and May 31, 2014 together with the notes thereto. The Company’s financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

Unless otherwise noted, all currency amounts are stated in Canadian dollars.

## **NATURE OF BUSINESS**

The Company is engaged primarily in the acquisition, exploration and development of mineral resource properties throughout the Americas. The Company’s exploration activities are currently focused on mineral properties situated in north central Ontario with property specific reviews of potential acquisition opportunities in Mexico and Nevada. The Company also maintains mineral properties in Manitoba and Argentina. The Company is listed on the TSX Venture Exchange (“TSXV”) and trades under the symbol “NDR”.

## **HIGHLIGHTS FOR THE SIX MONTHS ENDED NOVEMBER 30, 2015 TO JANUARY 22, 2016**

- The Company continues to focus on its mineral projects in Canada and more recently in Nevada and Mexico while at the same time conserving its treasury and controlling costs;
- The Company amended its agreement with ALX Uranium Corp. (“ALX”) (formerly Lakeland Resources Inc. or “Lakeland”) on the Midas Gold Property. The changes to the agreement are as follows:
  1. New Dimension’s cumulative work expenditures of CAD \$700,000 and CAD \$1.2 million have been extended to on or before December 31, 2017 and December 31, 2018, respectively;
  2. Issuance of 71,428 additional shares in the capital of New Dimension to ALX Uranium Corp. on or before December 31, 2015 has been increased to 100,000 shares; and
  3. Cash payment of CAD \$100,000 to ALX Uranium Corp. has been extended to on or before December 31, 2017.

## **EXPLORATION OVERVIEW**

NDR has previously concentrated its exploration activities in Nevada, Peru and Yukon with property specific reviews conducted in other regions of North and South America. In fiscal 2011, the Company’s exploration focus shifted to Canada and has focused on projects in Ontario. In 2015 the Company did commence property specific reviews in Nevada and Mexico but has not finalized any property acquisitions at the time of this writing.

	Midas, Canada \$	Mars, Canada \$	Lansing, Yukon, Canada \$	Total \$
Balance, May 31, 2013	-	688,709	716,458	1,405,167
Acquisition and tenure	7,500	-	-	7,500
Wages and consultants	132,904	-	-	132,904
General Exploration	194,592	-	-	194,592
Amounts written off	-	(688,709)	(716,458)	(1,405,167)
Balance, May 31, 2014	334,996	-	-	334,996
Acquisition and tenure	139	-	-	139
Balance, May 31, 2015 and November 30, 2015	335,135	-	-	335,135

The exploration programs described below were conducted under the direction of Fred Hewett, the Company's President and CEO, and a Qualified Person under NI 43-101. Mr. Hewett has reviewed the technical summaries.

The Company's projects are outlined as follows:

## **CANADA**

### *Midas Gold Project, Ontario*

In September 2013, the Company announced that it had entered into an option agreement with ALX Uranium Corp. (formerly Lakeland Resources Inc.) to earn a 70% interest in the Midas gold property located in the Sault Ste. Marie Mining Division of north central Ontario.

The Midas gold property consists of 10 staked mining claims (108 claim units) covers approximately 1,800 hectares and is situated approximately 50 kilometres northeast of the town of Wawa in northern Ontario. The Property is road accessible and is located approximately 20 kilometres southeast of Richmond Mines' (TSX: RIC) Island Gold Mine complex and Argonaut Gold's (TSX: AR) Magino Gold Project.

Sporadic exploration has been carried out in the area currently occupied by the Midas Property, beginning in the 1940's or earlier, with most work having been undertaken from late 1970's to 1990. Past exploration has included prospecting, trenching and sampling, airborne and ground geophysical surveys, geological mapping and diamond drilling.

During the winter of 2011, ALX carried out a program consisting of ground magnetics and induced polarization on a small grid cut, located in the southwestern area of the Property. To follow up this program ALX completed two-phases of diamond drilling consisting of sixteen (16) holes totaling 2,353 metres to test the induced polarization anomalies and the surface gold showings. Drilling resulted in the discovery of two gold bearing zones (zones M-11 and M-16) with fourteen (14) of the holes encountering gold mineralization. Highlights of the drilling are summarized in the following table:

<b>Midas Gold Project - Significant Drill Hole Intervals</b>				
<b>Drill Hole</b>	<b>From (metres)</b>	<b>To (metres)</b>	<b>Width (metres)</b>	<b>Grade Au (g/t)</b>
M-11-01	<b>54.00</b>	<b>60.00</b>	<b>6.00</b>	<b>1.70</b>
including	<b>55.00</b>	<b>57.00</b>	<b>2.00</b>	<b>4.61</b>
M-11-02	89.00	96.00	7.00	0.34
M-11-03	55.40	56.80	1.40	1.06
M-11-04	<b>45.70</b>	<b>50.40</b>	<b>4.70</b>	<b>5.92</b>
including	<b>46.70</b>	<b>49.30</b>	<b>2.60</b>	<b>8.88</b>
M-11-05	21.00	22.00	1.00	1.34
	<b>27.00</b>	<b>30.90</b>	<b>3.90</b>	<b>3.79</b>
including	<b>28.90</b>	<b>30.90</b>	<b>2.00</b>	<b>7.03</b>
M-11-08	53.05	57.50	4.00	0.72
including	<b>56.50</b>	<b>57.50</b>	<b>1.00</b>	<b>2.39</b>
<b>M-11-09</b>	<b>58.20</b>	<b>62.00</b>	<b>3.80</b>	<b>2.71</b>
including	<b>59.20</b>	<b>61.00</b>	<b>1.80</b>	<b>4.04</b>
M-11-11	57.00	63.50	6.50	0.25
including	57.00	57.60	0.60	1.37
M-11-14	36.50	38.50	2.00	1.92
including	<b>36.50</b>	<b>37.50</b>	<b>1.00</b>	<b>3.33</b>

- All results shown are over core lengths. True widths are not known;
- Drill core was industry standards NQ in size. All split or sawn core samples were submitted to Accurassay Laboratories of Thunder Bay, Ontario for analysis. All gold assaying was performed using a 30g standard fire assay with an AA and /or gravimetric finish.

Results from the two phases of drilling confirm the presence of a broad gold bearing structure, which has been traced for over 500 metres in strike length and is open. Based on drilling, geophysical surveying and geological mapping, it is postulated that the gold system lies along the south limb and shallow east plunging nose of a broad anticlinal fold structure; and is associated with widespread silicification and carbonization.

Subsequent to the drill programs, ALX reported that it had identified a new surface gold discovery, which returned grab sample values ranging from 2 g/t gold to 130 g/t gold. This new discovery is located approximately 500 metres west and along strike of drill hole M-11-01 (4.70 metres of 5.92 g/t gold), within the M-16 Zone, and is considered to add a significant strike component to the mineralized trend that now exists.

Under the terms of the agreement, New Dimension can earn its 70% by spending \$1.2 million in exploration expenditures, issuing 1.5 million pre-consolidated shares and paying \$100,000 to ALX before December 31, 2016.

In November 2013, New Dimension commenced a diamond drill program on the Midas gold project. Drilling was designed to confirm and expand the GZ-1 Zone along strike and down dip. It also evaluated a structural flexure that appears to locally control mineral distribution and is supported by geophysical data.

In February 2014, the Company announced the results of its eleven (11) hole, 1,488 metre diamond drill program completed on the Midas gold property. The drill program further defined gold mineralization that was previously identified in a 2011 drill program and confirmed that mineralization is hosted within quartz stockwork veining developed along east-west trending strongly pyritized shear zones. Drilling was designed to test the along strike and down dip extensions of gold mineralization encountered in previous drilling. Drill holes were positioned to better define structural corridors that are key to mineral distribution. Of note is that 9 out of 11 holes intersected pyritized east-west trending shear zones previously known as GZ1 and GZ2.

Within the shears mineralization appears to be associated with quartz stockwork veining. Two holes (MC-13-26 and MC-13-27) targeted IP geophysical anomalies outside of the GZ1 and GZ2 target areas and failed to intersect significant mineralization.

Both the GZ1 and GZ2 target zones trend east-west with shallow southward dips. They are strongly pyritized shear zones hosted in mafic to intermediate metavolcanics. The zones are sub-parallel and positioned approximately 200 metres apart. Geophysics interpretations suggest there is a flexure that locally disrupts mineral continuity, but further drilling is required to confirm this. More work is also necessary to better predict the relationship between the zones.

In August 2015, New Dimension returned 2 of the 12 original Midas concessions that it optioned to ALX in order to avoid work commitments that the Company considered to be non-essential to the overall scope of the project.

Effective October 19, 2015, the Company renegotiated the Midas Agreement, whereby the Company's commitments under the option agreement were extended. Under the terms of the revised option agreement the Company, at its option will issue ALX 100,000 shares at December 31, 2015 (issued), 100,000 shares at December 31, 2016, pay ALX \$100,000 on or before December 31, 2017 and complete cumulative work expenditures of \$700,000 by December 31, 2017 and \$1,200,000 by December 31, 2018.

The Company is presently deciding on its next course of action on the property.

#### Domain Project, Manitoba

The Domain project is located approximately 150 kilometres southeast of Thompson, Manitoba. The property was staked by the Company and is presently in a Joint Venture with Yamana Gold Inc. ("Yamana"). Work to date on the property by the Company and others has defined a favorable Archaean greenstone belt with the potential of hosting economic banded iron formation related gold deposits.

In 2005, the property was optioned by the Company to Rolling Rock, which has since become a wholly owned subsidiary of Mega Precious Metals, which was acquired by Yamana Gold Inc. in June, 2015. Rolling Rock earned its initial 51 percent interest by the issuance of 400,000 common shares to the Company and by spending \$300,000 in a Phase I drilling program in early 2006.

In early 2008 Rolling Rock elected to increase its interest to 65 percent with additional expenditures and conducted a Phase II drill program on the property. The Phase II drill program consisted of 17 diamond drill holes totaling 2,654 metres. Eight holes were completed on a target called the B Zone with several of these holes reporting noteworthy results including 4.61 grams per tonne gold over 15.25 metres (including 7.29 grams per tonne gold over 9.0 metres or 9.96 grams per tonne gold over 6.00 metres) in drill hole RR-08-20; and 4.61 grams per tonne gold over 18.05 metres (including 17.44 grams per tonne gold over 2.65 metres) in drill hole RR-08-23. Drill results suggested that gold mineralization in the B Zone is increasing in width and grade to the northwest as the better gold values were discovered within the westernmost 220 metres of the drilled area.

To follow-up the Phase II drill program, in November of 2008, the Joint Venture, completed a third phase of drilling on the project consisting of 2,420 metres of diamond drilling in 13 holes. This work confirmed the continuity of gold mineralization within the B-Zone and also extended its strike length by 150 metres to 850 metres. Five of the holes were positioned northwest of previous drilling with the north-westerly most hole reporting 5.5 g/t over 1.0 metre.

Mineralization at Domain is associated with northwest trending, steeply southwest dipping, siliceous, sulphide-bearing, shear zones with some holes identifying two to three separate intervals of mineralization. Drill holes within the shears commonly contain visible gold. Results of the exploration programs to date have established that the elevated gold values of the B Zone continue up and down dip from previously known intercepts and the target structures continue on strike to the northeast.

The B-Zone is the current highest priority target on the Domain property but multiple geophysical targets remain that have seen little or no drilling. The potential at Domain is comparable to Mega Precious Metals' Monument Bay deposit which lies within the same belt of favorable rocks to the northeast.

During the year ended May 31, 2013, capitalized costs of \$394,221 related to the property were written off.

In December 2013, the Joint Venture reduced the size of the property to 3 claims totalling 576 hectares, with New Dimension maintaining a 35% interest.

## **FINANCIAL CONDITION, LIQUIDITY, CAPITAL RESOURCES, OPERATIONS AND FINANCIAL RESULTS**

### **OVERALL PERFORMANCE**

During the six months ended November 30, 2015, the Company incurred a loss of \$55,698 (November 30, 2014 - \$64,340) as it maintained its public listing and continued to evaluate its projects and possible acquisitions.

A summary of the Company's financial position is as follows:

	November 30, 2015	May 31, 2015	May 31, 2014
Current assets	\$ 469,315	\$ 563,433	\$ 631,244
Non-current assets	\$ 335,135	\$ 335,135	\$ 334,996
Liabilities	\$ (49,071)	\$ (87,491)	\$ (80,238)
Shareholder equity	\$ 755,379	\$ 811,077	\$ 886,002

### **FINANCING PROCEEDS**

During the year ended May 31, 2015, the Company closed a non-brokered private placement with the issuance of 1,315,000 units at a price of \$0.06 per unit for gross proceeds of \$78,900. Each unit was comprised of one share and one share purchase warrant. Each share purchase warrant entitles the holder to acquire one common share at a price of \$0.15 per share for a period of 24 months. The warrants are subject to an accelerated exercise provision if the share price of the Company trades at or above \$0.25 for 10 or more consecutive trading days. The Company also issued 37,500 units as finder's fees valued at \$2,250, in respect of purchasers of securities introduced to the Company by the finder. The warrants attached to the finders' units have the same terms as the private placement warrants.

### **RESULTS OF OPERATIONS**

During the three and six months ended November 30, 2015, (the "current quarter and the current period") the Company recorded losses of \$35,013 or \$0.00 per share and \$55,698 or \$0.01 per share respectively. This compares with losses of \$47,988 or \$0.01 per share and \$64,340 or \$0.01 per share respectively for the three and six months ended November 30, 2014 (the "comparative quarter and comparative period"). The loss for the current period consists of general and administrative costs of \$57,099 (comparative period - \$66,962) and interest, foreign exchange and other income of \$1,401 (comparative period - \$2,622).

The \$12,975 decrease in the loss for the current quarter compared to the comparative quarter is largely a result of reductions in office and shareholder information costs that were realized on changes to the Company's office.

General and administrative expenses incurred during the current quarter were \$14,256 less than the comparative quarter largely as a result of reduced costs for office and general of \$7,117 (comparative quarter - \$16,158), regulatory and transfer agent fees of \$3,832 (comparative quarter - \$4,257) and shareholder

information and meeting costs \$8,692 (comparative quarter - \$12,990). These reductions were largely attributable to corporate actions taken as a result of the difficult markets for funding junior exploration companies.

The \$8,642 decrease in the loss for the current period compared to the comparative period is largely a result of reductions in office and shareholder information costs that were realized on changes to the Company's office.

General and administrative expenses incurred during the current period were \$9,863 less than the comparative period, largely as a result of reduced costs for office and general \$10,434 (comparative period - \$17,171), salaries \$10,039 (comparative period - \$15,295) and shareholder information and meetings \$13,646 (comparative period \$16,518) offset by increased management, consulting and administrative fees \$12,230 (comparative period \$10,591). These variations were largely attributable to the corporate actions taken as a result of the difficult markets for funding junior exploration companies.

### **Financial Condition- November 30, 2015 compared to May 31, 2015**

At November 30, 2015 the Company had working capital of \$420,244 that included cash of \$455,201 compared to working capital of \$475,942 at May 31, 2015 that included cash of \$560,144. Also included in working capital at November 30, 2015 are current liabilities of \$49,071 (May 31, 2015 - \$87,491) and receivables and deposits of \$14,114 (May 31, 2015 - \$3,289). The reduction in the Company's working capital and financial position is largely a result of its funding of ongoing operations in Canada.

### **SUMMARY OF QUARTERLY RESULTS**

The following table sets out selected quarterly financial information of NDR and is derived from unaudited quarterly financial statements prepared by management.

Period	Revenues	Net loss (Income) for the period	Net loss per share for the period
Three months ended November 30, 2015	\$ Nil	\$ 35,013	\$ 0.00
Three months ended August 31, 2015	\$ Nil	\$ 20,685	\$ 0.00
Three months ended May 31, 2015	\$ Nil	\$ 119,376	\$ 0.01
Three months ended February 28, 2015	\$ Nil	\$ 25,854	\$ 0.00
Three months ended November 30, 2014	\$ Nil	\$ 47,988	\$ 0.01
Three months ended August 31, 2014	\$ Nil	\$ 16,352	\$ 0.00
Three months ended May 31, 2014	\$ Nil	\$ 1,457,715	\$ 0.18
Three months ended February 28, 2014	\$ Nil	\$ 28,320	\$ 0.00

The Company's quarterly results can be affected by many factors such as winter conditions and/or seasonal fluctuations, variations in capital markets, the write-off of capitalized amounts, share-based payment costs, tax recoveries and other factors that affect the Company's exploration and financing activities.

Mineral exploration, such as in Northern Canada, is often a seasonal business, and the Company's expenditures and cash requirements may fluctuate depending upon the season. In addition, if the Company's exploration in Canada is funded by flow through share issuances, losses may be reduced by any cash premium the Company received on the flow through share issuance. For accounting purposes, the cash premium is initially recorded on the balance sheet as a deferred premium and is credited to income as flow through expenditures are incurred resulting in other income on deferred premium.

The Company's expenditures may also be affected by the strength of capital markets. The Company's primary source of funding is through the issuance of share capital. When the capital markets are depressed, the Company's activity level may decline as a result of difficulties raising funds. When capital markets strengthen and the Company is able to secure equity financing with favourable terms, the Company's activity levels and the size and scope of planned exploration projects may increase.

The Company's loss of \$35,013 for the second quarter of fiscal 2016 continues to reflect the cost of administering its operations and maintaining its public listing.

The Company's loss of \$20,685 for the first quarter of fiscal 2016 largely reflects the cost of administering its operations and maintaining its public listing as it continues to evaluate projects.

The Company's loss of \$119,376 for the fourth quarter of fiscal 2015 largely reflects its administrative operations and included a \$55,745 share-based payment charge.

The Company's \$25,854 loss for the third quarter of fiscal 2015 continues to reflect cuts in overall administrative expenditures in the current financial market.

The Company's loss of \$47,988 for the second quarter of fiscal 2015 reflects costs of maintain its public listing and insurance for its operations. The Company continues to try to reduce activities and conserve cash.

The Company's loss of \$16,352 for the first quarter of fiscal 2015 reflects a reduction in the Company's activities as it has conserved cash and reduced costs.

The Company's loss of \$1,457,715 for the fourth quarter of fiscal 2014 largely reflects its write-off of \$1,405,167 of exploration and evaluation expenditures and costs for the administrative activities, offset by recoveries.

The Company's loss of \$28,320 for the third quarter of fiscal 2014 continues to reflect cuts in overall administrative expenditures in the current financial market.

The Company's business consists of only one reportable segment, mineral exploration and development. Details on a geographic basis are as follows:

	November 30, 2015	May 31, 2015
Total Non-Current Assets		
Canada	\$ 335,135	\$ 335,135
Total	\$ 335,135	\$ 335,135

## LIQUIDITY AND CAPITAL RESOURCES

During the six months ended November 30, 2015, the Company used \$104,943 (comparative period - \$77,334) of cash in its operating, financing and investing activities.

### Operating Activities

During the six months ended November 30, 2015 the Company's operating activities used \$104,943 (comparative period - \$89,108) of cash related to funding the ongoing general and administrative activities of the Company. During the six months ended November 30, 2015, the Company funded a loss from operations of \$55,698 (comparative period - \$64,340) reduced by changes in noncash items such as accounts receivable and accounts payable. The Company continues to try to reduce the cash used in operating activities due to difficult market conditions.

### Investing Activities

During the six months ended November 30, 2015 cash used in its investing activities totalled \$nil (comparative period – cash received \$11,774). During the comparative period the Company received \$11,923 from funds that had been held as a reclamation deposit for reclamation work that had been completed in prior years.



## Financing Activities

During the six months ended November 30, 2015 and the comparative period the Company did not raise funds on the completion of financings or share issuances.

## CAPITAL RESOURCES

The Company has no operations that generate cash flow and its long term financial success is dependent on management's ability to discover economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control.

In order to finance the Company's exploration programs and to cover administrative and overhead expenses, the Company raises money through equity sales and from the exercise of convertible securities. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record and the experience and caliber of its management.

The Company currently has sufficient financial resources to meet its administrative overhead expenses for the current operating period and maintain basic exploration activities. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activity and the state of the financial markets. The Company intends to continue to use various strategies to minimize its dependence on equity capital, including the securing of joint venture partners where appropriate.

## Commitments

Please refer to the November 30, 2015 and May 31, 2015 financial statements for details on the Company's exploration and evaluation asset commitments.

## OUTSTANDING SHARE DATA

The table below presents the Company's common share data as of January 22, 2016.

	Price	Expiry date	Number of common shares
Common shares, issued and outstanding			9,623,189
Securities convertible into common shares			
Options			
	\$1.47	February 25, 2016	30,714
	\$1.47	March 10, 2016	13,570
	\$1.33	July 18, 2016	17,856
	\$1.05	December 16, 2016	17,856
	\$1.05	July 12, 2017	65,712
	\$0.10	May 11, 2020	806,000
Warrants			
	\$0.15	May 5, 2017	1,352,500
			<b>11,927,397</b>

## RISKS AND UNCERTAINTIES

NDR has no history of profitable operations and is an exploration stage company. As such, it is subject to many risks common to such enterprises, including under-capitalization, cash shortages and limitations with respect to personnel, financial and other resources and lack of revenues.

Some of the Company's property interests are located in remote, undeveloped areas and the availability of infrastructure such as surface access, skilled labour, fuel and power at an economic cost, cannot be assured. These are integral requirements for exploration, development and production facilities on mineral properties. Power may need to be generated on site.

Resource acquisition, exploration, development, and operation is a highly speculative business that involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of precious metals and other minerals may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish economically viable mineral deposits, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the acquisition, exploration or development programs planned by the Company will result in a profitable commercial mining operation. The potential for any project to eventually become an economically viable operation depends on numerous factors including: the quantity and quality of the minerals discovered if any, the proximity to infrastructure, metal and mineral prices (which vary considerably over time) and government regulations. The exact effect these factors can have on any given exploration property cannot accurately be predicted but the effect can be materially adverse.

### **Exploration Stage Company**

The Company is engaged in the business of acquiring and exploring mineral properties to locate economic deposits of minerals. All of its properties are in the early stages of exploration and are without defined mineral bodies. Advancement of the Company's properties will only occur after obtaining satisfactory exploration results. There can be no assurance that the Company's existing or future exploration programs will result in the discovery of economically recoverable mineral deposits. Further, there can be no assurance that even if an economic deposit of minerals is located, it can be commercially mined.

### **No Source of Operating Revenue**

At present, the Company's operations do not generate cash inflows and the Company's continued existence depends on management's ability to raise additional equity financing, discover recoverable mineral deposits and sell or otherwise participate in the development of those projects. Many factors influence the Company's ability to raise funds, including the health of the commodity resource market, the climate for mineral exploration investment, the Company's track record, and the experience and calibre of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activities. Management believes it will be able to raise equity capital as required over time, but recognizes there are risks involved that may be beyond its control. If those risks fully materialize, the Company may not be able to raise adequate funds to continue its operations.

### **Political or economic instability in countries where the Company operates**

Certain of the Company's properties are located in countries, provinces and states which may be subject to political and economic instability, or unexpected legislative change which may delay or prevent exploration of properties. Exploration of the Company's properties could be adversely affected by:

- political instability and violence;
- war and civil disturbance;
- labour unrest or community relation issues;
- permitting issues
- expropriation or nationalization;
- changing fiscal regimes and uncertain regulatory environments;
- changes to royalty and tax regimes;
- underdeveloped industrial and economic infrastructure; and
- the unenforceability of contractual rights and judgments.

## Competition

The mineral exploration and mining business is competitive in all of its phases. The Company competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources, in the search for and the acquisition of attractive mineral properties. The Company's ability to acquire properties in the future will depend not only on its ability to advance its present properties, but also on its ability to select and acquire suitable prospects for mineral exploration or advancement. There is no assurance that the Company will be able to compete successfully with others in acquiring such prospects. In addition, there is a limited supply of good geological talent and drilling crews and equipment. There is no assurance that the Company will be able to acquire the supply of geological talent or drillers, executives or other employees or contractors that are required to complete exploration work in planned time frames.

## Title to Property

The Company has taken precautions to ensure that legal titles to its property interests are properly recorded. There can be no assurance that the Company will be able to secure the grant or the renewal of exploration permits or other tenures on terms satisfactory to it, or that governments in the jurisdictions in which the properties are situated will not revoke or significantly alter such permits or other tenures or that such permits and tenures will not be challenged or impugned. In addition, some of the Company's properties are held in the names of others. Third parties may have valid claims underlying portions of the Company's interests and the permits or tenures may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. If a title defect exists, it is possible that the Company may lose all or part of its interest in the properties to which such defects relate. In addition, the Company may fail, due to error, omission, or technological issues to renew its claims in a timely manner, potentially resulting in the loss of valuable claims to property.

## Personnel

NDR is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of NDR could result, and other persons would be required to manage and operate the Company.

## Commodity Price Risk

The market price of precious metals and other minerals is volatile and cannot be controlled.

## TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed below. Details of the transactions between the Company and other related parties are disclosed below.

a) Related party transactions

The Company incurred the following transactions in the normal course of operations in connection with an officer and/or director or companies which have an officer and/or director in common.

	Note	Six months ended November 30, 2015	Six months ended November 30, 2014
Administrative, consulting and management costs		\$ 12,230	\$ 10,591
Rent		\$ 4,800	\$ -
Shareholder information	(i)	\$ 9,646	\$ 10,500
Salary costs	(i)	\$ 3,000	\$ 15,295

(i) The Company has reimbursed certain salary amounts to companies with certain officers and former officers and directors in common. These amounts have been recorded against salaries and benefits expense.

b) Related party balances

	<b>November 30, 2015</b>	May 31, 2015
Northair Silver Corp. (formerly International Northair Mines Ltd.)	\$ -	\$ 32,681
North Arrow Minerals Inc.	\$ 1,720	\$ 1,680
Wayne Johnstone – Chief Financial Officer	\$ 5,444	\$ 4,907
Brenda Nowak- Corporate Secretary	\$ 2,500	\$

c) Compensation of key management personnel

The remuneration for the services of the Chief Executive Officer was as follows:

	<b>Six months ended November 30, 2015</b>	Six months ended November 30, 2014
Salary/Exploration/Consulting	\$ 1,720	\$ 3,520

Key management personnel were not paid post-employment benefits, termination benefits or other long-term benefits during the periods ended November 30, 2015 and 2014.

## NATURE OF OPERATIONS AND GOING CONCERN

New Dimension Resources Ltd. (the “Company”) is incorporated under the laws of the Province of British Columbia, Canada. The Company’s corporate office, registered address and records office is located at 789 West Pender St., Suite 960, Vancouver, British Columbia.

The Company engages primarily in the acquisition, exploration and evaluation of mineral properties.

The Company’s condensed interim consolidated financial statements have been prepared on the assumption that the Company is a going concern, meaning that it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of operations. The Company has incurred a deficit of \$8,476,962 at November 30, 2015 and has no current source of revenue. The Company’s continuation as a going concern is dependent on its ability to attain profitable operations and generate funds therefrom and/or raise funds sufficient to meet current and future obligations. During fiscal 2015, the Company raised capital to meet its working capital requirements for fiscal 2016 and part of 2017. There can be no assurances that management’s future plans for the Company will be successful. These material uncertainties may cast significant doubt upon the Company’s ability to continue as a going concern. These financial statements do not include any adjustments to the recoverability and classification of assets and liabilities that might be necessary, should the Company be unable to continue as a going concern.

## SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period.

Although management uses historical experiences and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

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

The most significant accounts that require estimates as the basis for determining the stated amounts include exploration and evaluation assets, the valuation of share based payments and the valuation of deferred tax amounts.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

- (i) Economic recoverability and probability of future benefits of exploration and evaluation costs.

Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

- (ii) Valuation of share-based payments

The Company uses the Black-Scholes Option Pricing Model for valuation of share based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rates and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and Company's earnings and equity reserves.

- (iii) Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

- (iv) Non-cash transactions

The valuation of shares issued in non-cash transactions. Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When this cannot be determined, it is based on the fair value of the non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.

## **ACCOUNTING STANDARDS**

### **Statement of Compliance with International Financial Reporting Standards**

#### **Statement of Compliance**

The Company's condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34 "Interim Financial Reporting" using accounting polices consistent with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

This interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended May 31, 2015.

## Principles of Consolidation

The Company's condensed interim consolidated financial statements have been prepared in accordance with IFRS and include the accounts of the Company and its wholly owned inactive U.S. and Peruvian subsidiaries, Dimension Resources (USA) Inc., Camino Ventures S.A.C., and a Peruvian corporation, which the Company has an irrevocable right to acquire, Minera NDR Peru S.A.C., respectively. Control exists when the company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Inter-company balances have been eliminated upon consolidation.

## Historical cost

The Company's condensed interim consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments measured at fair value.

## New Accounting Policies and Pronouncements

The IASB has issued the following standard with a tentative effective date of January 1, 2018, which has not yet been adopted by the Company and is summarized below.

- IFRS 9 - Financial Instruments – classification and measurement  
This is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39, "Financial Instruments: Recognition and Measurement". IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is recorded at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is measured at fair value with changes in fair value through profit or loss. In addition, this new standard has been updated to include guidance on financial liabilities and derecognition of financial instruments. The extent of the impact of adoption of IFRS 9 has not yet been determined.

## FINANCIAL INSTRUMENTS

### Categories of financial instruments

	November 30, 2015	May 31, 2015
Financial assets		
FVTPL		
Cash	\$ 455,201	\$ 560,144
Loans and receivables		
Receivables	14,114	3,289
	\$ 469,315	\$ 563,433
Financial liabilities		
Other financial liabilities		
Accounts payable and accrued liabilities	\$ 49,071	\$ 87,491

## Fair value of financial instruments

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 Company's classifications of financial instruments within the fair value hierarchy are summarized below:

	November 30, 2015	May 31, 2015
Level 1		
Cash	\$ 455,201	\$ 560,144
Level 2	-	-
Level 3	-	-
	\$ 455,201	\$ 560,144

The carrying value of receivables and accounts payable and accrued liabilities approximated their fair value because of the short-term nature of these instruments.

## Financial Risk Management

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

### a) Currency Risk

The Company is primarily exposed to currency fluctuations relative to the Canadian dollar through expenditures that are denominated in US dollars and Peruvian Soles. Also, the Company is exposed to the impact of currency fluctuations on its monetary assets and liabilities.

The Company is exposed to foreign currency risk through the following financial assets and liabilities denominated in currencies other than Canadian dollars:

November 30, 2015	Cash	Receivables	Accounts payable and accrued liabilities
US dollars	\$ 20,030	\$ -	\$ -

  

May 31, 2015	Cash	Receivables	Accounts payable and accrued liabilities
US dollars	\$ 32,264	\$ -	\$ 13,551

At November 30, 2015 with other variables unchanged, a +/-10% change in exchange rates would decrease/increase pre-tax loss by \$2,000.

b) Interest rate and credit risk

The Company has a positive cash balance and no interest-bearing debt. The Company has no significant concentrations of credit risk arising from operations. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by reputable financial institutions with which it keeps its bank accounts and management believes the risk of loss to be remote. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

Cash includes deposits which are at variable interest rates. Sensitivity to a +/- 1% change in rates would affect annual net gain or loss by \$4,600.

Receivables consist of goods and services tax due from the Federal Government of Canada. Management believes that the credit risk concentration with respect to receivables is remote.

c) Liquidity risk

The Company manages liquidity risk by maintaining sufficient cash balances. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short-term obligations. As at November 30, 2015, the Company had a cash balance of \$455,201 (May 31, 2015 - \$560,144) to settle current liabilities of \$49,071 (May 31, 2015 - \$87,491).

d) Commodity Price risk

The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in the market prices of gold and silver. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

## **CAPITAL MANAGEMENT**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. As the Company is in the exploration stage, its principal source of funds is from the issuance of common shares.

In the management of capital, the Company includes the components of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint venture property arrangements, acquire or dispose of assets or adjust the amount of cash and short-term investments.

The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments selected with regards to the expected timing of expenditures from continuing operations.

The Company expects its current capital resources will be sufficient to carry its exploration and development plans and operations through its current operating period that ends May 31, 2016.

## **ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE**

Additional disclosure concerning NDR's general and administrative expenses and mineral property costs are provided in the Company's Condensed Interim Consolidated Statement of Loss and Notes to the Financial Statements contained in its condensed interim consolidated financial statements for November 30, 2015. These statements are available on NDR's website at [www.newdimensionresources.com](http://www.newdimensionresources.com) or on its SEDAR Page Site accessed through [www.sedar.com](http://www.sedar.com).



## **APPROVAL**

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

## **ADDITIONAL INFORMATION**

Additional information relating to NDR is on SEDAR at [www.sedar.com](http://www.sedar.com).

## **FORWARD LOOKING INFORMATION**

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events and include, but are not limited to, statements with respect to the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage.

These forward-looking statements include, among others, statements with respect to the Company's objectives for the ensuing year, our medium and long-term goals, and strategies to achieve those objectives and goals, as well as statements with respect to our beliefs, plans, objectives, expectations, anticipations, estimates and intentions. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," and words and expressions of similar import are intended to identify forward-looking statements. In particular, statements regarding the Company's future operations, future exploration and development activities or other development plans contain forward-looking statements.

All forward-looking statements and information are based on the Company's current beliefs as well as assumptions made by and information currently available to the Company concerning anticipated financial performance, business prospects, strategies, regulatory developments, development plans, exploration, development and mining activities and commitments. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution readers not to place undue reliance on these statements as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in such forward-looking statements.

These factors include, but are not limited to, developments in world financial and commodity markets, risks relating to fluctuations in the Canadian dollar and other currencies relative to the US dollar, changes in exploration plans due to exploration results and changing budget priorities of the Company or its joint venture partners, changes in project parameters as plans continue to be refined; possible variations in ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing, the effects of competition in the markets in which the Company operates, the impact of changes in the laws and regulations regulating mining exploration and development, judicial or regulatory judgments and legal proceedings, operational and infrastructure risks, and the Company's anticipation of and success in managing the foregoing risks. The Company cautions that the foregoing list of factors that may affect future results is not exhaustive. When relying on our forward-looking statements to make decisions with respect to the Company, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by the Company or on our behalf, except as required by law.