

**EROS RESOURCES CORP.**

(formerly Boss Power Corp.)

*(an exploration stage enterprise)*

**Management Discussion and Analysis**

Six months ended June 30, 2016 and 2015

**BELL MOUNTAIN PROPERTY, NV**

Eros holds 100% title to the Bell Mountain gold-silver property located southeast of Reno, Nevada in the Fairview mining district, approximately 54 miles (86 kilometres) from Fallon, Nevada. On April 24, 2015, upon completion of a due diligence period, the Company entered into a definitive purchase agreement with Laurion Mineral Exploration Inc. (“Laurion”) to purchase Laurion’s rights to prior expenditure credits in the Bell Mountain property, for the purchase price of \$650,000. As part of the transaction, the Company has assumed all of the obligations, interests and rights of Laurion under an exploration and option agreement between Laurion and Globex Mining Enterprises Inc. (TSX:GMX) (“Globex”) including the obligation to incur and complete certain expenditures necessary to fulfill the earn-in respecting the primary mineral properties of the Bell Mountain Project.

On June 15, 2015, Eros satisfied the earn-in obligations with Globex and obtained 100% title to the Bell Mountain Property as per the terms and conditions of the underlying option agreement. An Advanced Royalty Payment of \$20,000 is due annually beginning June 15, 2016 (2016 – paid) until such time as there is production from the property.

An amended and restated NI 43-101 technical report dated May 6, 2015 prepared by Welsh Hagan Associates (formerly Telesto Nevada, Inc.) entitled “Amended and Restated NI 43-101 Technical Report for the Bell Mountain Project, Churchill County, Nevada” (the “Amended and Restated Technical Report”) in connection with Eros’s acquisition is available on SEDAR at [www.sedar.com](http://www.sedar.com) and on Eros’s website at [www.erosresources.com](http://www.erosresources.com). See the Eros press release dated April 30, 2015 for more information respecting the acquisition.

A summary of the mineral resource estimate in the Amended and Restated Technical Report is described below:

**All Gold, Silver and Gold-Equivalent Measured and Indicated Resources at Bell Mountain at 0.192 g/t Au EQ Cutoff, Effective Date May 3, 2011**

	Tonnes (000s)	Tons (000s)	Gold				Silver				Total Ounces of Gold Equivalent (oz AuEQ)
			Gold Cutoff Grade (g/t)	Average Grade		Gold (oz)	Average Grade		Ounces of Silver as Gold Equivalent		
				Gold (opt)	Gold (g/t)		Silver (opt)	Silver (g/t)			
Measured	5,952	6,561	0.192	0.015	0.531	101,534	0.485	16.62	3,180,127	57,820	159,355
Indicated	3,810	4,199	0.192	0.015	0.518	63,484	0.561	19.22	2,353,780	42,796	106,280
Measured + Indicated	9,761	10,760	0.192	0.015	0.526	165,018	0.514	17.63	5,533,907	100,616	265,635

1. Rounding of tons as required by Form 43-101F1 reporting guidelines results in apparent differences between tons, grade and contained ounces in the mineral resource.
2. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

**All Gold, Silver and Gold-Equivalent Inferred Resources at Bell Mountain at 0.192 g/t AuEQ Cutoff, Effective Date May 3, 2011**

	Tonnes (000s)	Tons (000s)	Gold				Silver				Total Ounces of Gold Equivalent (oz AuEQ)
			Gold Cutoff Grade (g/t)	Average Grade		Gold (oz)	Average Grade		Ounces of Silver as Gold Equivalent		
				Gold (opt)	Gold (g/t)		Silver (opt)	Silver (g/t)			
Inferred	2,046	2,25	0.192	0.013	0.449	29,550	0.387	13.26	872,411	15,862	45,412

1. Rounding of tons as required by Form 43-101F1 reporting guidelines results in apparent differences between tons, grade and contained ounces in the mineral resource.
2. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

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No significant environmental issues have been noted. Bell Mountain falls under the jurisdiction of the U.S. Bureau of Land Management (BLM). On July 7, 2015, a BLM reclamation bond for US\$20,565 was reassigned from Lincoln Resource Group Corp. to Bell Mountain Exploration Corp, and annual claim maintenance fees have been paid for 2015 and 2016.

**Historical work**

Various exploration and development work was conducted at Bell Mountain from 1914 to 1919. The only production was in 1927 when a 35-ton (31.8-tonne) car load of hand sorted material was mined. The average grade of the mined material was 0.47 opt (16.12 gpt) gold and 14.9 (504.1 gpt) opt silver. From 1948 to 2013, ten companies conducted various phases of exploration and development including small-scale geologic mapping, soil sampling, rock-chip sampling, geophysics, trenching, tunneling and underground work, drilling, metallurgical work, and various resource estimates. Two companies, American Pyramid Resources Inc. and N.A. Degerstrom Inc., each developed plans to mine the Bell Mountain deposits via open pit; however neither company made a final production decision.

Bell Mountain consists of multiple epithermal quartz-calcite veins and stockwork hosted in the late Miocene Fairview Peak ash-flow caldera. The main ore controls for the gold-silver veins are east-northeast striking faults which cut a variety of lithic tuffs and associated caldera fill. Silver and gold are present as porous aggregates and grains of gold-free silver, acanthite (Ag<sub>2</sub>S), and silver-gold alloys of variable composition. Mineralization of potential economic interest is comprised of three vein zones 1) the Spurr, 2) the Varga, and 3) the Sphinx. These deposits appear amenable to open-pit mining with low stripping ratios and subject to heap-leach processing. The three deposits extend along a common eastward strike for nearly 5,000 ft. (1,524 m) and the deposits are separated by gaps of barren ground. The better mineralized zones at the Spurr and the Varga commonly run 60 to >100 ft. (18.3 to >30.5 m) in true thickness. Grades are typically low, on the order of 0.015 opt gold (0.51 gpt) and 0.50 opt (17.2 gpt) silver; all mineralization is oxidized. Higher grades are locally present. The vein/stockwork zones generally dip 40° to 60° southward. A fourth, narrow-vein deposit, East Ridge, is approximately 4,000 ft. (1,219 m) eastward from the group of three veins and remains underexplored.

Since 1984, at least nine companies have drilled at Bell Mountain for a total of 298 drill holes for 62,590 ft. (19,077.4 m). Most of the holes were drilled by reverse-circulation methods. Twenty-eight (28) holes were core holes for a total footage of 5,718.5 ft. (1,743.0 m). The core drilling includes metallurgical and geotechnical core holes. Remaining duplicate samples are retained in a core shed in nearby Fallon, Nevada.

**2015 Program**

The goal of the 2015 program was to advance the Bell Mountain gold-silver project towards a NI 43-101 compliant Preliminary Economic Assessment by acquiring the necessary project data and developing an updated database with supporting quality control and assurance. Work also includes advancing metallurgical data and baseline environmental data. Most work is conducted out of an office in Carson City, Nevada and a core shed in Fallon, Nevada using contract professionals and service providers.

Work began in early July 2015 with the logging of seven 2013 metallurgical PQ core holes and five 2013 geotechnical HQ core holes. All holes were assayed to determine composites for metallurgical test work. Also, five 2013 reverse-circulation holes were assayed. All data were incorporated into a new electronic database which began in mid-August of 2015. The database includes inspection of all original drill hole logs, certificates of assay,

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and standards, blanks, and duplicate sample assays. The database also includes trench and underground sample assays from original files. Eventually, the database will also include all geologic information required to develop a rock model.

In June of 2015, a contract was signed with McClelland Laboratories Inc. (Sparks, NV) to conduct six each 6-inch (15.24-cm) diameter 60-day column leach tests on mineralized material from the Spurr, Varga, and Sphinx deposits, two tests per deposit. The Sphinx deposit was cut back to one column leach test owing to insufficient material. Tests were conducted on 3/4-inch (1.91-cm) and 3/8-inch (0.95-cm) crushed mineralized material. Average head grade for the Spurr is 0.040 opt (1.37 gpt) gold and 1.30 opt (44.58 gpt) silver. Average head grade for the Varga is 0.040 opt (1.37 gpt) gold and 0.95 opt (32.58 gpt) silver. Average head grade for the Sphinx is 0.029 opt (0.99 gpt) gold and 1.09 opt (37.37 gpt) silver. The column leach tests began in late September, 2015. An additional 30 days have been added to the test cycle, making the tests 90 days each. The Spurr and Sphinx leach rates appear excellent and the Varga extraction rates are slow but steady and positive. McClelland Laboratories has also provided the Company with bulk density determinations for 72 mineralized and host rock samples. The laboratory work - except for one group of tests - has been completed, with our consultants preparing an interpretation of the results and ascertaining if any additional metallurgical work is called for. This will be finalized with the completion of the remaining group of tests.

In August of 2015, the Company signed two work orders with Stantec, an environmental and permitting company located in Reno, Nevada. The first work order was for completion of a biology baseline study which has now been completed and submitted to the BLM for their approval. The second work order was for the re-installation of a recording meteorological base station which has also been completed. The Company has completed the field-aspects of a cultural survey (archaeological study). The final report has been delivered to the State.

Also in August of 2015, the Company completed a field work program for geological mapping at a scale of 1 inch = 50 ft. (1:600 scale) on the Spurr, Varga, Sphinx, East Ridge, and the Process Area.

In September of 2015, the Company received comminution test results from 20 samples of mineralized material. The Bond crusher work index was reported at 13.8 kWh/short ton (15.2 kWh/metric ton) and was classified as "soft to medium." The Bond abrasion index was reported at 0.3306 (grams) and was classified as "abrasive."

The updated collar file and assay database was used to prepare assay sections on 50 ft. (15.24 m) centers for all of the deposits. The scale of the cross sections is 1 inch = 20 ft. (1:240 scale) to allow ample space to plot drill hole geology. The average drill hole is only 178 ft. (53.5 m). A set of geologic cross sections have been interpreted using surface geology and available drill hole geology. These cross sections have been digitized and the rock units incorporated into the master drill hole database. Sufficient data is available to develop a geological model for incorporation into a new Preliminary Economic Assessment technical report. All the cross section and geological plans have been completed and digitized in our database. This information has laid the foundation for the required acid base test work, which is required prior to making a production decision. The program has been accepted by the State.

A detailed review of the results will determine what infill drilling should be considered to further enhance the target.