

**NEWLOX GOLD VENTURES CORP.**

AMENDED MANAGEMENT DISCUSSION AND ANALYSIS

For the Quarter Ended June 30, 2015

As at August 31, 2015

## **NEWLOX GOLD VENTURES CORP.**

### **FOR THE PERIOD ENDED JUNE 30, 2015**

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#### **INTRODUCTION**

Newlox Gold Ventures Corp. (“Newlox” or the “Company”) was incorporated under the Business Corporations Act (British Columbia) on April 7, 2011. The Company’s head office is located at 500-900 W Hastings St., Vancouver, BC, Canada. Newlox is a precious metals trading and environmental reclamation technology company pursuing business opportunities in Latin America with its shares listed on the Canadian Securities Exchange (“the CSE”) symbol LUX and trades in Germany symbol NGO.

The Company closed on its agreement to acquire all shares of Oro Roca S.A., a private Costa Rican company, on April 14th, 2014. The Company is working in collaboration with the Norman B. Keevil Institute of Mining Engineering at the University of British Columbia and, with its operations team in Central America, it has established an environmental reclamation and metals extraction operation and is now in the midst of commercialization. Newlox, through its wholly owned subsidiary, Oro Roca SA, is applying innovative processing technologies to historical tailings to achieve precious metals extraction and soil remediation.

The longer term objective of Newlox Gold Ventures Corp is to establish a dividend paying enterprise which will allow its shareholders to not only participate in equity value growth but also to share in profits, all the while contributing to an environmental cleanup effort and setting a high standard of social responsibility.

#### **BASIS OF DISCUSSION & ANALYSIS**

This management discussion and analysis (“MD&A”) is dated as of August 28, 2015 and should be read in conjunction with the unaudited financial statements of the Company for the period ended June 30, 2015 and the audited financial statements for the year ended March 31, 2015. (“Audited Financial Statements”).

Our discussion in this MD&A is based on the Audited Financial Statements. The Audited Financial Statements are prepared in accordance with International Financial Reporting Standards (“IFRS”). Unless expressly stated otherwise, all financial information is presented in Canadian dollars.

All statements other than statements of historical fact in this MD&A are forward-looking statements. These statements represent the Company’s intentions, plans, expectations and beliefs as of the date hereof, and are subject to risks, uncertainties and other factors of which many are beyond the control of the Company. These factors could cause actual results to differ materially from such forward-looking statements. Readers should not place undue reliance on these forward-looking statements. The section on **Future Cash Requirements and Risks and Uncertainties** below states specific risks, in particular the Company’s need to raise further funds to meet its cash requirements while its operations grow. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.

#### **ACCOUNTING POLICY & SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES**

The consolidated financial statements have been prepared using accounting policies, judgments and estimates consistent with those used in the unaudited financial statements for the period ended June 30, 2015 and the audited consolidated financial statements for the year ended March 31, 2015. During the period ended June 30, 2015, no new policies have been adopted and no changes have been made to accounting judgments and estimates. Please refer to the unaudited financial statements for the period ended June 30, 2015 and the audited financial statements of the Company as at March 31, 2015 for additional information.

#### **ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE**

A number of new IFRS standards, and amendments to standards and interpretations, are not yet effective for the period ended June 30, 2015, and have not been applied in preparing the consolidated financial statements. None of these standards are expected to have a significant impact on the consolidated financial statements of the Company. Please refer to the unaudited financial statements for the period ended June 30, 2015 and the audited financial statements of the Company as at March 31, 2015 for additional information.

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**NEWLOX GOLD VENTURES CORP.**  
**FOR THE PERIOD ENDED JUNE 30, 2015**

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**THE COMPANY AND BUSINESS**

Newlox Gold's wholly owned subsidiary, Oro Roca, S.A., has initiated a precious metals trading program on a limited basis while building its environmental reclamation operations.

Following an extensive R&D process at the University of British Columbia's Norman B. Keevil Institute of Mining Engineering, the Company commissioned a first phase pilot tailings reclamation facility in September of 2014.

Two studies were undertaken at the University of British Columbia (UBC) on samples provided by the Company. The first study was completed and delivered in August of 2014 and was instrumental in the design of the Company's first phase pilot tailings reclamation facility.

The result was a tailor-made reclamation process which is designed specifically to address the environmental and metallurgical qualities of the material identified for reclamation.

A second study was commissioned in the fall of 2014 with the objective of providing design criteria for the optimization of the Company's reclamation efforts in Central America. Management was presented with the findings of this optimization study by the UBC research team in December of 2014. The R&D team found that limited changes to the process flow sheet and reagents could deliver significant increases in process efficiency, exceeding their goal of 90% recovery in laboratory conditions.

Meanwhile, field testing continued at the Company's first phase pilot tailings reclamation facility resulting in incremental improvements in efficiency and the stockpiling of concentrates for further testing, processing, and sale.

With field and lab testing both showing promise, management embarked on a plant expansion and optimization program in the winter of 2014. The program was designed to double throughput capacity to 80 tonnes per day while optimizing a new flotation circuit by implementing measures recommended by UBC.

While final optimization and expansion work is ongoing, Newlox announced successful reclamation work and its first gold sale in May of 2015. As a result of this sale, the Company was able to generate its first revenue from reclamation activities which is a major milestone as the company continues to pursue its business model.

Additional doré sales were completed during the quarter as indicated in the accompanying Financial Statements dated June 30, 2015. Furthermore, a portion of the metals reclaimed during the quarter was sold after June 30, 2015. Revenues in the subsequent quarter from the sale of doré produced during the month of June 2015 amount to \$27,600.

The Company's expansion and optimization project is nearing completion at which time operating time will be increased to 20 hours per day, 26 days per month. The increase in throughput and operating hours are part of the Company's comprehensive plan to increase gold doré output toward its stated objectives during the remainder of fiscal 2015.

Management notes that satisfactory progress has been made in these efforts and congratulates the operations team on their ingenuity and diligence.

Once the reclamation project is fully operational and stabilized, Oro Roca, S.A. intends to expand its precious metals trading program whereby the company purchases precious metals from multiple sources in the field while immediately reselling the acquired metal through its established network.

This venture has proven to be worthwhile for the Company and has been well received by the locals where it has been deployed. This program has the added benefit of enhancing the Company's reach and reputation as a reliable and socially responsible member of the community.

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**NEWLOX GOLD VENTURES CORP.**  
**FOR THE PERIOD ENDED JUNE 30, 2015**

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**SELECTED QUARTERLY INFORMATION**  
**CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS**

(Unaudited - Expresses in Canadian Dollars)

	June 30, 2015		June 30, 2014
	\$		\$
<b>SALES</b>	49,867		229,355
<b>COST OF SALES</b>	35,644		206,205
<b>GROSS PROFIT</b>	<u>14,223</u>		<u>23,150</u>
<b>EXPENSES</b>			
Accretion	-		-
Bad Debts	-		-
Consulting Fees	18,841		7,500
Depreciation	15,623		-
Interest on Debentures	8,548		-
Management Fees	18,750		5,000
Office	8,701		1,885
Professional Fees	5,049		11,073
Exploration	-		-
Telephone	985		-
Transfer Agent and Filing Fees	1,922		1,861
Travel	58		-
<b>LOSS BEFORE OTHER ITEMS</b>	- 64,253	-	4,169
Foreign Exchange Gain (Loss)	2,039		-
Impairment of Property, Plant and Equipment	-		-
Impairment of Mineral Property	-		-
<b>NET LOSS FOR THE YEAR</b>	- 62,214	-	4,169
Other Comprehensive Income for the Year – Foreign Currency Translation Gain	46,032		-
<b>NET COMPREHENSIVE LOSS FOR THE YEAR</b>	<u>- 16,182</u>	<u>-</u>	<u>4,169</u>
<b>BASIC AND DILUTED LOSS PER SHARE</b>	<u>- 0.00</u>	<u>-</u>	<u>0.00</u>
<b>WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING</b>	<u>46,922,673</u>		<u>42,167,351</u>

Revenue is from sale of precious metals purchased from various sources, including artisan miners, recycling, and private sellers.

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**NEWLOX GOLD VENTURES CORP.**  
**FOR THE PERIOD ENDED JUNE 30, 2015**

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**Selected Annual Information**

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<b>Description</b>	<b>Year Ended March 31, 2015 \$</b>	<b>Year Ended March 31, 2014 \$</b>	<b>Year Ended March 31, 2013 \$</b>
<i>Total Revenue</i>	50,233	Nil	Nil
<i>Net comprehensive loss</i>			
<i>Total</i>	264,453	300,151	112,449
<i>Per share</i>	0.01	0.02	0.01
<i>Total Assets</i>	1,777,990	416,400	116,322
<i>Current Liabilities</i>	453,865	99,414	24,185
<i>Non-Current Liabilities</i>	104,865	Nil	Nil
<i>Cash dividends</i>	N/A	N/A	N/A

**Additional Disclosure for Venture issuers without Significant Revenue**

Administration Fees are CSE related filing and maintenance costs, Professional Fees include legal expense predominantly and accounting the majority of the balance.

**LIQUIDITY AND CAPITAL RESOURCES**

**Financial Position**

As at June 30, 2015, the Company had a negative working capital -\$340,016 and shareholders' equity of \$1,07,015 as compared to working capital of -\$309,386 and shareholders' equity of \$1,219,260 as at March 31, 2015.

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**NEWLOX GOLD VENTURES CORP.**  
**FOR THE PERIOD ENDED JUNE 30, 2015**

	June 30, 2015	March 31, 2015
	\$	\$
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	38,865	31,055
Accounts Receivable	29,539	31,445
GST Recoverable	2657.43	560
Advances	-	-
Inventories	62,603	81,419
	<u>133,664</u>	<u>144,479</u>
<b>NON-CURRENT</b>		
Property, Plant and Equipment	692,275	673,890
Goodwill	959,621	959,621
	<u>1,651,896</u>	<u>1,633,511</u>
	<u>1,785,560</u>	<u>1,777,990</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts Payable and Accrued Liabilities	126,238	118,223
Due to Related Parties	162,445	141,254
Portion of Convertible Debentures – Principal	175,029	188,207
Current Portion of Convertible Debentures – Interest	9,968	6,181
	<u>473,680</u>	<u>453,865</u>
<b>NON-CURRENT</b>		
Convertible Debentures	104,865	104,865
	<u>578,545</u>	<u>558,730</u>
<b>SHAREHOLDERS' EQUITY</b>		
Share Capital	2,017,991	1,871,991
Share Subscription Advance	-	50,000
Share Purchase Warrants Reserve	-	-
Equity Component of Debentures	77,248	71,405
Foreign Currency Translation Reserve	48,043	94,075
Deficit	-936,267	-868,211
	<u>1,207,015</u>	<u>1,219,260</u>
	<u>1,785,560</u>	<u>1,777,990</u>

**Changes in Cash Position**

	For the Period ended June 30, 2015	For the Period ended June 30, 2014
	\$	\$
<b>Cash flows from operating activities</b>	-50,635	1,695
<b>Cash flows from financing activities</b>	92,452	22,680
<b>Cash flows from investing activities</b>	-34,008	-27,825
<b>Increase (Decrease) in cash and cash equivalents</b>	<u>7,810</u>	<u>-3,450</u>

**NEWLOX GOLD VENTURES CORP.**  
**FOR THE PERIOD ENDED JUNE 30, 2015**

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For the period ended June 30, 2015:

1. The Company's cash position at June 30, 2015 was \$45,292. The (\$7,810) change in cash during period ended June 30, 2015 was a result of the Company's investment on its environmental reclamation plant.

During the period ended June 30, 2015, investing activities consisted of investing into its subsidiary:

1. On April 14, 2014, the Company acquired Oro Roca, S.A. ("Oro Roca"), a Costa Rica based precious metals trading and environmental reclamation company, by way of purchasing all issued and outstanding shares of Oro Roca.

During the period ended June 30, 2015, financing activities were the issuance of:

1. On May 25, 2015, the Company issued 1,000,000 units at \$0.05 per unit for total proceeds of \$50,000 in connection with a private placement. Each unit consists of one common share and one share purchase warrant exercisable at \$0.10 per share for a term of two years.
2. On June 10, 2015, the Company issued 2,000,000 units at \$0.05 per unit for total proceeds of \$100,000 in connection with a private placement. Each unit consists of one common share and one share purchase warrant exercisable at \$0.10 per share for a term of 2 years. The Company incurred \$4,000 in finder's fee for this private placement.

For the period ended June 30, 2014:

1. The Company's cash position at March 31, 2014 was \$37,482.
2. The \$3,450 change in cash during period ended June 30, 2014 was a result of the Company's funds raised from financing activity exceeding net loss from operations.

During the period ended June 30, 2014, financing activities were the issuance of:

1. On April 14, 2014 the Company issued 20,000,000 common shares with a fair value of \$1,000,000 for the acquisition of Oro Roca.
  2. On May 1, 2014 the Company issued 360,000 units at \$0.07 per unit for total proceeds of \$25,200 in connection with a private placement. Each unit consists of one common share and one share purchase warrant exercisable at \$0.15 per share for a term of two years. The Company incurred \$2,520 in finder's fee.
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**NEWLOX GOLD VENTURES CORP.**  
**FOR THE PERIOD ENDED JUNE 30, 2015**

**SELECTED QUARTERLY INFORMATION**  
**RESULTS OF OPERATIONS**

	Three months ended 30-Jun-15	Three months ended 31-Mar-15	Three months ended 31-Dec-14	Three months ended 30-Sep-14	Three months ended 30-Jun-14	Three months ended 31-Mar-14	Three months ended 31-Dec-13	Three months ended 30-Sep-13
	\$	\$	\$	\$	\$	\$		
Revenue	49,867	28,713	23,221	148,104	229,355	-	-	-
Gross Profit	14,233	4,092	7,846	15,145	23,150	-	-	-
Expenses								
Administrative Costs	14,147	62,471	29,903	49,415	12,958	4,031	32,396	6,294
Consulting fees	18,841	25,999	57,668	8,967	7,500	46,652	-	6,500
Professional Fees	5,049	-	10,000	-	-	26,634	16,402	22,779
Management fees	18,750	13,241	15,321	11,759	5,000	10,000	9,500	-
Mining Property Write Off	-	-	-	-	-	-	74,950	-
Mining Property Expenses	-	-	-	-	-	535	26,968	1,676
Regulatory and transfer agent fees	1,922	1,679	3,687	8,770	1,861	1,528	4,557	1,862
Net loss and comprehensive loss	-16,182	-99,297	-108,734	-63,766	-4,169	-89,380	-164,773	6,447

Expenditures since Q1, 2014 reflect the start of Oro Roca's operations.

**Share Capital**

The total number of common shares outstanding as at June 30, 2015 and as of the date of this report is 48,702,893 (45,702,893 the previous year). As at the date of this report, there were no stock options outstanding.

Warrants outstanding are as follows:

**Share Purchase Warrants**

The continuity of warrants for the period ended June 30, 2015 is as follows:

Expiry Date	Exercise Price	March 31, 2015	Issued	Exercised	Expired/Cancelled	March 31, 2015
May 7, 2014	\$0.15	360,000	-	-	(360,000)	-
December 31, 2015	\$0.10	2,500,000	-	-	-	2,500,000
March 4, 2016	\$0.10	9,000,000	-	-	-	9,000,000
November 14, 2016	\$0.05	7,700,000	-	-	-	7,700,000
November 18, 2016	\$0.05	335,982	-	-	-	335,982
May 25, 2015	\$0.10	-	1,000,000	-	-	1,000,000
June 2, 2015	\$0.10	-	2,000,000	-	-	2,000,000
		19,895,982	3,000,000	-	(360,000)	22,535,982

The continuity of warrants for the year ended March 31, 2015 is as follows:

Expiry Date	Exercise Price	March 31, 2014	Issued	Exercised	Expired/Cancelled	March 31, 2015
May 7, 2015	\$0.15	-	360,000	-	-	360,000
December 31, 2015	\$0.10	2,500,000	-	-	-	2,500,000
March 4, 2016	\$0.10	9,000,000	-	-	-	9,000,000
November 14, 2016	\$0.05	-	7,700,000	-	-	7,700,000
November 18, 2016	\$0.05	-	335,982	-	-	335,982
		11,500,000	8,395,982	-	-	19,895,982



**NEWLOX GOLD VENTURES CORP.**  
**FOR THE PERIOD ENDED JUNE 30, 2015**

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**Finder's Warrants**

There is no Finder's Warrants for the period ended June 30, 2015.

The continuity of warrants for the year ended March 31, 2015 is as follows:

Expiry Date	Exercise Price	March 31, 2014	Issued	Exercised	Expired/ Cancelled	March 31, 2015
October 17, 2014	\$0.15	146,000	-	-	(146,000)	-

**Future Cash Requirements**

The Company's future capital requirements will depend on many factors, including, among others, ability to produce commercial quantities of concentrate and sell below cost. Should the Company wish to pursue current and future business opportunities, additional funding will be required. The Company believes that its current plans and requirements can be funded largely from existing cash on hand but it is necessary to raise additional working capital until such time as internal cash flow is generated from its tailings processing and gold trading operation. To the extent that the Company continues to incur losses and these resources are insufficient to fund the Company's recurring losses until profitability is reached, the Company will need to raise additional funds through debt or equity financing. If additional funds are raised through the issuance of equity securities, the percentage ownership of current shareholders will be reduced and such equity securities may have rights, preferences, or privileges senior to those of the holders of the Company's common stock. No assurance can be given that additional financing will be available, or that it can be obtained on terms acceptable to the Company and its shareholders. If adequate funds are not available, the Company may be required to delay expenditures or acquisitions.

**RELATED PARTY TRANSACTIONS**

Balances and transactions between the Company and its subsidiary, which are related parties of the Company, have been eliminated on consolidation and are not disclosed. Details of transactions between the Company and other related parties, in addition to those transactions disclosed elsewhere in these consolidated financial statements are described as follows.

As at June 30, 2015, the Company has the following amounts owing to related parties that are non-interest bearing, unsecured, and have no specified terms of repayment.

	Jun 30, 2015	Mar 31, 2015
	\$	\$
Due to a director and related companies for management and consulting fees (a)	43,203	25,264
Due to a director (also an officer) for management fees (b)	20,690	20,190
Due to a director (also an officer) for advances to the Company	88,112	85,360
Due to a director for management fees	1,056	1,056
Due to a company controlled by a former director for management fees	9,384	9,384
<b>Due to Related Parties</b>	<b>162,445</b>	<b>141,254</b>

- a) During the three months period ended June 30, 2015, the Company incurred management fees of \$- (2014 – \$2,500) to Don Gordon, a director.
- b) During the three months period ended June 30, 2015, the Company incurred management fees of \$18,750 (2014 – \$2,500) to Ryan Jackson, a director.

All related party transactions were in the ordinary course of business and were measured at their exchange amount as agreed between the related parties.

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**NEWLOX GOLD VENTURES CORP.**  
**FOR THE PERIOD ENDED JUNE 30, 2015**

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**RISKS AND UNCERTAINTIES**

**Environmental Reclamation Industry**

Significant expenditure may be required to establish and develop metallurgical processes and to construct facilities at a particular site. It is impossible to ensure that the current remediation programs planned by the Company will result in a profitable environmental remediation operation. Whether this business model will be commercially viable depends on a number of factors; some of which are the particular attributes of the targeted waste dumps and proximity to infrastructure, as well as metal prices which are highly cyclical and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection.

The Company will compete with other interests, many of which have greater financial resources than it will have, for the opportunity to participate in promising projects. Significant capital investment may be required to advance the Company's business model.

**Government Regulation**

Although the Company's processing activities 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 development. Amendments to current laws and regulations governing operations and activities or more stringent implementation thereof could have a substantial adverse impact on the Company.

**Permits and Licenses**

The remediation of tailings may require the Company to obtain regulatory or other permits and licenses from various governmental licensing bodies. There can be no assurance that the Company will be able to obtain all necessary permits and licenses that may be required to carry out development operations.

**Environmental Risks and Hazards**

All phases of the Company's operations are subject to environmental regulation in the jurisdiction in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in remediation operations may be required to compensate those suffering loss or damage by reason of its activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of commercial enterprises, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in expenses and capital expenditures.

**Commodity Prices**

The profitability of the Company's operations is significantly affected by changes in the market price of precious metals. The level of interest rates, the rate of inflation, world supply of these precious metals and stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. The price of gold and other metals has fluctuated widely in recent years, and future serious price volatility could cause continued operation to be impracticable. Depending on the price of precious metals, cash flow from operations may not be sufficient.

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**NEWLOX GOLD VENTURES CORP.**  
**FOR THE PERIOD ENDED JUNE 30, 2015**

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**Uninsured Risks**

The Company may carry insurance to protect against certain risks in such amounts as it considers adequate. Risks not insured against include environmental pollution or other hazards against which such corporations cannot insure, or against which they may elect not to insure.

**Conflicts of Interest**

Certain directors of the Company also serve as directors and/or officers of other Canadian public companies in related industries. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

**ACCOUNTING POLICY & SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES**

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**ADDITIONAL INFORMATION**

Additional information pertaining to the Company is available on the SEDAR website at [www.sedar.com](http://www.sedar.com).

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