The following discussion and analysis of the results of operations and of the financial position of Nikos Explorations Ltd. ("Nikos" or the "Company") is prepared as of May 29, 2017 and should be read in conjunction with the Company's condensed interim financial statements for the quarter ended March 31, 2017 ("Q2-2017") and the Company's audited consolidated financial statements and the notes thereto for the year ended September 30, 2016 ("fiscal 2016").

The financial information presented herein is expressed in Canadian dollars, except where noted.

The Company's financial statements are reported under International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

Overall Performance

Nikos is an exploration company focused on the acquisition, exploration and development of copper-gold projects. Nikos is publicly traded on the TSX Venture Exchange ("TSX-V"). To date, the Company has not earned significant revenues and is considered to be in the exploration stage.

The Company has a 100% interest in the Borden Lake Extension Property (the "Property") located near Chapleau, Ontario and an option agreement for additional claims surrounding the Property.

At March 31, 2017, the Company had cash of $325,752 (September 30, 2016: $10,019) and working capital of $180,274 (September 30, 2016: working capital deficiency of $36,148).

In 2017, the Company is conducting drill testing of geochemical and geophysical anomalies at the Property.

Results of Operations – Three Months Ended March 31, 2017

In Q2-2017 Nikos posted a net loss of $123,404 or $0.01 per share, compared to a net loss of $30,078 ($nil per share) in the quarter ended March 31, 2016 ("Q2-2016").

The most significant expenses in Q2-2017 were share-based compensation of $92,780 (Q2-2016: $4,503), regulatory and transfer agent fees of $14,752 (Q2-2016: $9,597) and professional fees of $11,269 (Q2-2016: $9,654).

Results of Operations - Six Months Ended March 31, 2017

In the six months ended March 31, 2017 ("YTD-2017") Nikos posted a net loss of $139,962 or $0.01 per share, compared to a net loss of $36,161 ($nil per share) in the six months ended March 31, 2016 ("YTD-2016").

The most significant expenses in YTD-2017 included share-based compensation of $95,842 (YTD-2016: $4,503), regulatory and transfer agent fees of $18,240 (YTD-2016: $12,130) and professional fees of $12,249 (YTD-2016: $9,783).

Unproven Mineral Right Interests

On December 14, 2012, the Company entered into an option agreement to earn a 100% interest in the Borden Lake Extension Property (the “Property”) located near Chapleau Ontario. The 1,598 hectare property lies immediately east of Goldcorp’s Borden Lake gold project.

The Company earned a 100% undivided interest in the Property by making the following payments, all of which have been completed:

- Making an initial payment of $3,000 and issuing 50,000 shares;
- Paying $15,000, issuing 50,000 shares and incurring exploration expenditures of $40,000 on the Property on or before December 14, 2013 (renegotiated and completed with a cash payment of $6,000 and the issuance of 170,000 shares);
- Paying $27,000, issuing 50,000 shares and incurring cumulative exploration expenditures on the Property of $140,000 on or before December 14, 2014;
- Paying $55,000, issuing 50,000 shares and incurring cumulative exploration expenditures on the Property of $340,000 on or before December 14, 2015 (renegotiated and completed in January 2016 with a cash payment of $20,000 and the issuance of 1,450,000 shares).

The vendors retain a 2% net smelter return (“NSR”) royalty, half of which may be bought back by Nikos for $1 million at any time

On May 13, 2014, the Company entered into an option agreement to earn a 100% interest in six claims located to the south of the Property (the “Additional Claims”). The terms of the option are the following:

- On receipt of TSX-V approval: payment of $6,000 and issuance of 75,000 Shares (completed);
- On or before May 13, 2015: payment of $15,000 and issuance of 105,000 Shares (completed);
- On or before May 13, 2016: payment of $24,000 and issuance of 150,000 Shares (completed);
- On or before May 13, 2017: payment of $36,000 and issuance of 180,000 Shares;
- A 2% NSR royalty, half of which may be bought back by Nikos for $1million at any time; and
- On receipt of a National Instrument 43-101 compliant report showing an indicated resource of at least 1million ounces of gold: payment of $600,000.

Acquisition and exploration costs in YTD-2017 are summarized below:

	At September 30, 2016	Six months ended March 31, 2017	At March 31, 2017
Acquisition costs	260,785	-	260,785
Exploration costs:			
Automobile	9,857	8,240	18,097
Assays	25,164	-	25,164
Community relations	10,641	-	10,641
Drilling	-	182,227	182,227
Equipment rental	-	21,210	21,210
Exploration administration and field supplies	2,852	24,841	27,693
Food and accomodation	8,595	19,577	28,172
Geological consulting	69,924	31,038	100,962
Geophysical	151,863	2,750	154,613
	278,896	289,883	568,779
	539,681	289,883	829,564

Exploration Activity

In Q2-2017, the Company carried out a diamond drill program to test chargeability anomalies found during an induced polarization (IP) /resistivity survey located within 2.5 kilometres of Goldcorp's Borden Lake Property. This was the first drilling campaign ever conducted on the property in an area that is characterized by limited outcrop. A total of 1,662 metres of drilling was carried out in 13 holes to test the chargeability anomalies that occur up ice of high gold grain counts in till samples reported in 2016.

Drilling intersected similar rock types as those described by Probe Mines during their drilling at Borden Lake, including biotite gneiss, garnet biotite gneiss and pegmatite. Mafic metavolcanic rocks were also intersected and these may be part of the Borden Lake belt. The rocks are commonly altered with hematite, silica (both pervasive and as veinlets) and chlorite. Sulphide mineralization, primarily in the form of disseminated pyrite, and in some cases pyrrhotite, is identified in some of the altered zones. No significant gold mineralization was encountered.

One of the chargeability anomalies tested occurs adjacent to a soil gas hydrocarbon (SGH) anomaly approximately 200 metres up ice of a till sample that reported 48 gold grains (please refer to the Company's news release dated March 30, 2016). A second chargeability anomaly with a stronger response than the first in combination with a higher resistivity response, indicates the possible presence of a silicified zone. This anomaly occurs a further 500 metres up ice of the anomalous till samples. Both chargeability anomalies are approximately 400 metres long and remain open to the east and west.

Samples were submitted to Actlabs in Ancaster for assay by inductively coupled plasma- orbital emission spectroscopy (ICP-OES) and instrumental neutron activation analysis (INAA). Due to a shutdown of the reactor at McMaster University, where samples for INAA are irradiated, there was a significant backlog resulting in significantly longer turnaround times than normal.

Ownership in mineral right interests involves certain inherent risks due to the difficulties of determining and obtaining clear title to claims as well as the potential for problems arising from the ambiguous conveyance history of many mineral right interests. The Company has investigated ownership of its mineral right interests and, to the best of its knowledge, ownership of its interests are in good standing.

Summary of Quarterly Results (IFRS)

	Qtr. ended 31-Mar-17	Qtr. ended Dec. 31, 2016	Qtr. ended Sept. 30, 2016	Qtr. ended June 30, 2016
Total revenues	$-	$-	$-	$-
Net loss	(123,404)	(16,558)	(18,271)	(27,066)
Loss per share	(0.01)	-	-	-
Diluted loss per share	-	-	-	-

	Qtr. ended March 31, 2016	Qtr. ended Dec. 31, 2015	Qtr. ended Sept. 30, 2015	Qtr. ended June 30, 2015
Total revenues	$-	$-	$-	$-
Net loss	(30,078)	(6,083)	(7,856)	(4,312)
Loss per share	-	-	-	-
Diluted loss per share	-	-	-	-

Liquidity and Capital Resources

Nikos is a development-stage company that currently does not generate significant revenues, and does not anticipate doing so in the near future.

Nikos held cash of $325,752 at March 31, 2017, compared to $10,019 at September 30, 2016.

The Company had working capital of $180,274 on March 31, 2017 compared to a working capital deficiency of $36,148 on September 30, 2016.

The Company is not subject to debt covenants.

On January 6, 2016, the Company issued an aggregate of 150,000 shares valued at $9,000 and 150,000 warrants to the Brunswick House, Chapleau Cree and Chapleau Ojibway First Nations, in connection with a Memorandum of Understanding with respect to the Company's Borden Lake Extension project, located near Chapleau, Ontario. Each warrant is exercisable into one additional share at a price of $0.05 and has a five year term.

On January 18, 2016, the Company issued 1,450,000 shares valued at $87,000 for the acquisition of unproven mineral right interests.

On March 30, 2016, the Company closed a non-brokered private placement for gross proceeds of $35,000 from the sale of 1,400,000 units at a price of $0.025 per unit. Each unit consisted of one share and one warrant exercisable into one additional share at a price of $0.05 for a one year period. A further $10,100 was raised from the sale of 336,667 flow-through units at a price of $0.03 per unit. Each flow through unit consisted of one share and one-flow through warrant exercisable into one additional share at a price of $0.05 for a one year period.

On April 12 and 14, 2016, the Company received proceeds of $15,000 from the exercise of 300,000 options. The Company also reclassified $14,442 of previously recorded share-based compensation payment reserve amounts with the exercise of these options.

On May 10, 2016, the Company issued 150,000 shares valued at $15,000 for the acquisition of unproven mineral right interests.

On June 7, 2016, the Company closed a non-brokered private placement for gross proceeds of $132,000 from the sale of 1,650,000 units at a price of $0.08 per unit. Each unit consisted of one share and one warrant exercisable into one additional share at a price of $0.15 for a two year period. A further $10,000 was raised from the sale of 100,000 flow-through units at a price of $0.10 per unit. Each flow through unit consisted of one share and one-half of a flow through warrant. Each full warrant is exercisable into one additional share at a price of $0.15 for a two year period. Finders' fees of $250 in cash and 50,000 in shares of the Company were paid on a portion of the private placement.

On December 23, 2016, the Company issued 1,755,000 units priced at $0.08 per unit. Each unit consisted of one common share of the Company and one share purchase warrant entitling the holders thereof to purchase one additional common share of the Company at a price of $0.13 for a period of two years. The Company also issued 1,068,334 common shares on a flow-through basis priced at $0.09 per share. Finders fees comprised of 155,400 common shares of the Company were issued in connection with this private placement.

On February 2, 2017, the Company issued 3,875,000 units priced at $0.08 per unit. Each unit consisted of one common share of the Company and one share purchase warrant entitling the holder thereof to purchase one additional common share of the Company at a price of $0.13 for a period of two years. Finders fees comprised of 271,250 common shares of the Company were issued in connection with this private placement. The securities have a hold period expiring on June 3, 2017.

On February 9, 2017, the Company received proceeds of $3,000 from the exercise of 60,000 warrants.

On March 13, 2017, the Company received proceeds of $875 from the exercise of 17,500 warrants.

Transactions with Related Parties

As at March 31, 2017, the Company's related parties consist of a proprietorship controlled by the Company's Chief Executive Officer ("CEO") and a company controlled by the Company's Chief Financial Officer ("CFO").

	Nature of Transaction
Moss Explorations Services	Management
Delphis Financial Strategies Inc.	Management

The Company entered into the following transactions with related parties:

i. YTD- 2017 the Company incurred management and consulting fees of $6,000 (YTD-2016 $6,000) for accounting services paid to a company controlled by the Company's CFO and $2,512 (YTD-2016: $1,575) for consulting fees paid to a proprietorship controlled by the Company's CEO.

ii. YTD-2017, the Company incurred geological consulting fees of $6,338 (YTD-2016: $5,212) paid to a proprietorship controlled by the Company's CEO.

iii. Included in accounts payable and accrued liabilities as at March 31, 2017 is $5,983 (September 30, 2016: $30,866) owing to the Company's CEO and a company controlled by the Company's CFO.

Amounts due to related parties are unsecured, non-interest bearing and due on demand.

These transactions occurred in the normal course of operations and were measured at fair value as determined by management.

Critical Accounting Estimates

The most significant estimates are related to the physical and economic lives of unproven mineral right interests, and their recoverability.

Other MD&A Requirements

As of May 29, 2017, the Company has outstanding a total of 25,084,225 shares, 1,950,000 options with a weighted average exercise price of $0.08 per share and 7,480,000 warrants with a weighted average exercise price of $0.10 per share. Additional information is available at the Company's website at www.nikosexplorations.com. To view the public documents of the Corporation, please visit the Corporation's profile on the SEDAR website at www.sedar.com.

Cautionary Statement on Forward Looking Information

This MD&A contains certain forward-looking information and statements as defined in applicable securities laws (collectively referred to as "forward-looking statements"). These statements relate to future events or our future performance. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "should", "believe" and similar expressions is intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These statements speak only as of the date of this MD&A. These forward-looking statements include but are not limited to, statements concerning:

- our strategies and objectives;
- prices and price volatility for commodities and of materials we use in our operations;
- the demand for and supply of commodities and materials that we use and plan to produce and sell;
- our financial resources;
- interest and other expenses;
- domestic laws affecting our operations;
- our tax position and the tax rates applicable to us;
- decisions regarding the timing and costs of construction and production with respect to, and the issuance of, the necessary permits and other authorizations required for any proposed projects;
- our planned future production levels;
- potential impact of production and transportation disruptions;
- our planned capital expenditures and estimates of costs related to environmental protection;
- our future capital and production costs, including the costs and potential impact of complying with existing and proposed environmental laws and regulations in the operation and closure of our operations;
- our financial and operating objectives;
- our environmental, health and safety initiatives;
- the outcome of legal proceedings and other disputes in which we may be or become involved; and
- general business and economic conditions.

Inherent in forward-looking statements are risks and uncertainties beyond our ability to predict or control, including risks that may affect our operating or capital plans; risks generally encountered in the permitting and development of mineral projects such as unusual or unexpected geological formations, unanticipated metallurgical difficulties, delays associated with permit appeals, ground control problems, adverse weather conditions, process upsets and equipment malfunctions; risks associated with labour disturbances and availability of skilled labour and management; fluctuations in the market prices of our principal commodities, which are cyclical and subject to substantial price fluctuations; risks created through competition for mining projects and properties; risks associated with lack of access to markets; risks associated with mine plan estimates; risks posed by fluctuations in exchange rates and interest rates, as well as general economic conditions; risks associated with environmental compliance and changes in environmental legislation and regulation; risks associated with our dependence on third parties for the provision of critical services; risks associated with non-performance by contractual counterparties; title risks; social and political risks associated with our operations; risks of changes in laws affecting our operations or their interpretation; and risks associated with tax reassessments and legal proceedings.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- interest rates;
- changes in commodity prices;
- acts of government and the outcome of legal proceedings;
- the supply and demand for, deliveries of, and the level and volatility of commodities and products used in our operations;
- the timing of the receipt of permits and other regulatory and governmental approvals;
- changes in credit market conditions and conditions in financial markets generally;
- the availability of funding on reasonable terms;
- our ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the availability of qualified employees and contractors for our operations;
- our ability to attract and retain skilled staff;
- engineering and construction timetables and capital costs for our projects;
- costs of closure of various operations;
- market competition;
- the accuracy of our mine plan estimates (including, with respect to size, grade and recoverability) and the geological, operational and price assumptions on which these are based;
- tax benefits and tax rates;
- the resolution of environmental and other proceedings or disputes; and
- our ability to obtain, comply with and renew permits in a timely manner.

We caution you that the foregoing list of important factors and assumptions is not exhaustive. Other events or circumstances could cause our actual results to differ materially from those estimated or projected and expressed in, or implied by, our forward-looking statements. Except as required by law, we undertake no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of factors, whether as a result of new information or future events or otherwise.