GOWEST GOLD LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND TWELVE MONTHS ENDED OCTOBER 31, 2016

This management discussion and analysis ("MD&A") of the financial condition and results of operations of Gowest Gold Ltd. ("Gowest" or the "Company") describes the operating and financial results of the Company for the three and twelve months ended October 31, 2016. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. The MD&A supplements, but does not form part of the financial statements of the Company and should be read in conjunction with Gowest's audited financial statements for the years ended October 31, 2016 and 2015, together with the notes thereto. The Company prepares and files its financial statements in accordance with International Financial Reporting Standards ("IFRS"). All amounts are stated in Canadian dollars unless otherwise noted and gold is measured in fine troy ounces ("ounces").

Forward-looking Statements

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. Specifically, this MD&A includes, but is not limited to, forward-looking statements regarding: the potential of Gowest's properties to contain economic precious and base metal deposits; the Company's ability to meet its working capital needs for the next twelve-month period, or the foreseeable future; the plans, costs, timing and capital for future exploration and evaluation of Gowest's property interests, including the costs and potential impact of complying with existing and proposed laws and regulations; management's outlook regarding future trends; sensitivity analysis on financial instruments, which may vary from amounts disclosed; prices and price volatility for precious and base metals; and general business and economic conditions.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond Gowest's ability to predict or control. These risks, uncertainties and other factors include, but are not limited to, precious and base metal deposits, price volatility, changes in debt and equity markets, timing and availability of external financing on acceptable terms, the uncertainties involved in interpreting geological data and confirming title to the Company's properties, the possibility that future exploration results will not be consistent with Gowest's expectations, increases in costs, environmental compliance and changes in environmental and other local legislation and regulation, interest rate and exchange rate fluctuations, changes in economic and political conditions and other risks involved in the precious and base metal exploration and evaluation , as well as those risk factors listed in the "Risks and Uncertainties" section below. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect the forward-looking statements. 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 that may prove to be incorrect, including, but not limited to, assumptions about the following: the availability of financing for Gowest's exploration and evaluation activities; operating and exploration costs; the Company's ability to retain and attract skilled staff; timing of the receipt of regulatory and governmental approvals for exploration projects and other operations; market competition; and general business and economic conditions.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Gowest's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Date of MD&A

This MD&A is dated February 17, 2017.

Description of the Business and Going Concern

Gowest is in the business of exploring and evaluating properties that it believes contain mineralization that is, or will, in the future, be economically recoverable. The Company is focused on the exploration and evaluation of the North Timmins Gold Project ("NTGP"), which includes its wholly-owned Bradshaw gold deposit (formerly Frankfield East gold deposit). Gowest's 10,942-hectare (109 square kilometres) NTGP land package is located near Timmins, Ontario, in the Timmins Gold Camp, which since its discovery in the early 1900's, has produced almost half of all the gold mined in Canada.

The Company's primary objective is to advance its Bradshaw gold deposit to development and increase the resource through exploration in the NTGP. The Company also remains open to evaluating other potential opportunities to enhance shareholder value.

In addition to its focus on exploration and evaluation of its Bradshaw gold deposit, which represents approximately 50-hectare (0.5 square kilometre), the Company is exploring additional gold targets on the remainder of its land package. This land package generally surrounds, or is contiguous with, the Frankfield property and includes exploration interests along the largely undeveloped Pipestone Fault area of the Timmins Gold Camp, including a contiguous block of claims extending approximately 18 kilometres along the Pipestone Fault from the Bradshaw gold deposit southeast towards the Clavos deposit. The Company regularly evaluates the potential to increase its holdings in the vicinity of the Pipestone Fault, among other acquisition opportunities.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that planned exploration and evaluation programs will result in the development of a profitable mine. The recoverability of the amount shown for mineral properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete exploration and evaluation, and the subsequent development of a mine and upon future profitable production or proceeds from dispositions of such properties. Changes in future conditions could require material write-downs of the carrying amounts of mineral properties.

Although the Company has taken steps to verify title to its mineral property interests, in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, aboriginal claims, and noncompliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions and political uncertainty.

The accompanying financial statements have been prepared in accordance with Canadian General Accepted Accounting Principles ("GAAP"), as applicable to a going concern, which contemplates the realization of its assets and the settlement of its liabilities in the normal course of operations.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. The ability of the Company to continue operations is dependent upon obtaining the necessary financing to complete the development of a mineral property. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern.

Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements.

2016 Highlights

- During the 2016 year, the Company received all the necessary permits to begin the Advanced Exploration at the Bradshaw gold deposit from the Ministry of Northern Development and Mines, the Ministry of Natural Resources and the Ministry of Environment and Climate Change.

- On August 4, 2016, the Company announced that it has signed a non-binding Letter of Intent with Pandion Mine Finance to fund USD $17.6 million for the Company's advanced exploration work at the Bradshaw Gold Deposit ("Bradshaw"). On December 16, 2016, the Company announced that it has entered into a definitive Pre-Paid Forward Gold Purchase Agreement ("the Agreement") with PGB to finance the development of the Bradshaw for a total of USD $17,600,000. The USD $17,600,000 will be received in four tranches over a twelve month period as partial consideration for the purchase of up to an aggregate of 65,805 ounces of gold to be produced from Bradshaw and delivered to PGB. Pursuant to the Agreement, during the 27 month period following payment of the initial tranche PGB may elect to reduce the amount of gold deliverable by the Company by up to 10,000 ounces in exchange for up to 43,054,838 common shares of the Company having an aggregate value equal to USD $5,000,000. The funding is subject to completion of a due diligence process and the negotiation and execution of a Prepaid Forward Gold Purchase Agreement and related security documentation. Upon completion of the agreement, the funds are expected to be received in a number of tranches.

- The Company announced on January 23, 2017, that it has entered into a non-binding letter of intent with respect to the creation of a joint-venture corporation that will own and operate the Redstone Mill. Upon the completion of the proposed transaction, each of the parties will hold a 50% interest in the joint-venture company. The Redstone Mill is well situated to satisfy the Company's anticipated future ore processing requirements.

- The Company completed its earn in option with Transition Metals ("TMC") for a 60% interest certain claims in the Porcupine mining district in Ontario ("the Pipestone Property") on April 26, 2016. Upon earning the 60% interest, as applicable, a joint venture automatically formed between Gowest and TMC, pursuant to which the companies will continue to explore and develop the Pipestone Property as warranted. Should either party's joint venture interest be diluted below 10%, its interest will be converted to a 2% NSR.

- The Company completed a deep looking, Induced Polarization survey along the Pipestone structure, which has provided a defined geophysical fingerprint to help identify future exploration targets on the Company's NTGP.

Subsequent Events

On November 9, 2016, the Company announced that it closed a non-brokered private placement of 12,225,000 flow-through common shares of the Company and 325,000 non-flow-through common shares of the Company at a price of $0.20 per share for gross proceeds of $2,510,000. Subscriptions by related parties totaled 475,000 shares for gross proceeds of $95,000.

On December 2 and 6, 2016, a total of 75,000 warrants to acquire common shares at a price of $0.25 per option expired.

On December 16, 2016, the Company announced that it has entered into a definitive Pre-Paid Forward Gold Purchase Agreement ("the Agreement") with PGB Timmins Holdings LP ("PGB") to finance the development of the Company's 100% owned Bradshaw Gold Deposit ("Bradshaw") for a total of USD $17,600,000. The USD $17,600,000 will be received in four tranches over a twelve month period as partial consideration for the purchase of up to an aggregate of 65,805 ounces of gold to be produced from Bradshaw and delivered to PGB. Pursuant to the Agreement, during the 27 month period following payment of the initial tranche, PGB may elect to reduce the amount of gold deliverable by the Company of up to 10,000 ounces in exchange for up to 43,054,838 common shares of the Company having an aggregate value equal to USD $5,000,000.

On December 19, 2016, 650,000 options to purchase common shares at a price of $0.25 per warrant expired.

On February 1, 2017, PGB funded the initial tranche of USD $5,600,000 pursuant to the previously announced Agreement entered into between PGB and Gowest on December 16, 2016.

Selected quarterly information

The following tables set out certain financial performance highlights for the last eight quarters:

	Fourth Quarter October 31, 2016	**Third Quarter July 31, 2016**	**Second Quarter April 30, 2016**	**First Quarter January 31, 2016**
	$	$	$	$
Expenses	(312,483)	(589,479)	(306,354)	(225,170)
Interest income (expense)	871	1,274	(694)	2,289
Deferred income tax recovery	142,000	-	-	-
Net Comprehensive (loss)	(38,507)	(585,205)	(307,048)	(221,381)
Net (loss) per share, basic	(0.001)	(0.002)	(0.001)	(0.001)
Cash flow (used in) operations	(220,659)	(387,265)	(393,026)	(357,597)
Cash & cash equivalents, end of period	893,806	1,267,381	1,745,774	2,694,149
Assets	22,583,998	22,728,386	22,854,390	23,227,555
Deferred tax liabilities	1,274,000	1,416,000	1,416,000	1,416,000

	Fourth Quarter October 31, 2015	**Third Quarter July 31, 2015**	**Second Quarter April 30, 2015**	**First Quarter January 31, 2015**
	$	$	$	$
Expenses	(333,466)	(385,760)	(256,897)	(264,765)
Interest income (expense)	1,177	866	2,020	6,195
Deferred income tax expense	261,000	-	-	-
Net Comprehensive (loss)	(70,539)	(385,269)	(256,377)	(258,570)
Net (loss) per share, basic	(0.00)	(0.004)	(0.00)	(0.00)
Cash flow (used in) operations	(144,054)	(151,669)	(297,463)	(386,009)
Cash & cash equivalents, end of period	2,391,096	182,258	800,967	1,840,265
Assets	21,815,776	19,142,673	19,345,502	19,585,111
Deferred tax liabilities	1,416,000	1,608,000	1,608,000	1,608,000

The following is a summary of selected audited financial information for the fiscal years of:

	2016	**2015**	**2014**
	$	$	$
Expenses	1,433,486	1,240,888	1,222,710
Interest, other income/(expense)	3,740	10,258	(109,524)
Net loss before income taxes	(1,297,141)	(1,230,630)	(1,332,234)
Future income taxes (expense) recovered	142,000	261,000	227,000
Net loss for the year	(1,155,141	(969,630)	(1,105,234)
Net Comprehensive loss for the year	(1,152,141)	(970,755)	(1,000,984)

Net loss per share, basic and diluted	(0.005)	(0.004)	(0.01)
Cash flow from (used in) operations	(1,358,547)	(979,195)	(821,264)
Cash & cash equivalents, end of period	893,806	2,391,096	2,538,587
Assets	22,583,998	21,815,776	1,988,797
Deferred tax liabilities	1,274,000	1,416,000	1,608,000

Results of Operations

The Company's activities during the three and twelve month period ended October 31, 2016, produced a net comprehensive loss of ($585,205) and ($1,297,141), respectively as compared to a net comprehensive loss of ($385,269) and ($9970,755), respectively for the comparable prior year period.

The expenditures listing below is followed by a brief discussion of significant line items in expenses.

Expenses	Three months Ended October 31, 2016	Three Months ended October 31, 2015	Twelve Months ended October 31, 2016	Twelve Months Ended October 31, 2015
	$	$	$	$
General and administrative	255,516	248,420	942,617	748,805
Professional fees	35,288	54,604	74,119	120,064
Investor relations	12,815	12,921	62,899	92,643
Shareholder communications	2,836	16,079	20,278	43,152
Share-based payments	1,164	-	287,383	197,400
Transfer agent and exchange fees	1,392	2,309	31,899	19,640

General and Administrative Expenses – The increase in the three and twelve month period of $255,516 and $942,617, respectively compared to the prior year period of $248,420 and $748,805, respectively reflect the additional costs for services paid to related parties and increased corporate activities.

Professional Fees – The decrease in professional fees during the three and twelve month period reflect a reduction in the legal fees incurred in the current period as compared to the prior year comparative period reflecting the Company's activities during the current year period.

Investor Relations – The decrease in these expenses during the three and twelve month period was reflective of a reduction in services provided and costs incurred as compared to the prior year comparative period.

Share-based compensation – The share-based compensation expense for the three and twelve month period as compared to the prior year comparable period reflects the fair value of the stock options granted at the time of issuance.

Transfer agent & regulatory fees – Transfer agent & regulatory fees for the three and twelve month period reflect costs associated with exchange filing fees and shareholder management and reporting.

Liquidity and Capital Resources

The activities of the Company, which are primarily the acquisition, exploration and evaluation of mineral properties that it believes contain mineralization, are financed through the completion of equity transactions such as equity offerings and the exercise of stock options and warrants. There is no assurance that equity capital will be available to the Company in the required amounts, with acceptable terms or at the time required. See “Risk Considerations” below.

As at October 31, 2016 and October 31, 2015, the Company reported a cash and cash equivalent position of $893,806 and $2,391,096, respectively and working capital of $743,095 and $2,017,472, respectively.

The Company’s use of cash in operations activities was $1,358,547 for the year ended October 31, 2016 and reflects a reduction in outstanding accounts payable offset by an increase in amounts receivable and other assets. Cash used in investing activities was $1,340,437 for the year ended October 31, 2016 reflecting; $2,140,437 in costs of the completion of an Induced Polarization Program on certain properties, road improvement at the Bradshaw site, consultation expenses and expenses related to the permit submissions for the Bradshaw.

The Company’s cash provided by financing activities was $1,201,694 for the year ended October 31, 2016, reflecting the flow-through financing in December 2015 and the exercise of warrants and options during the year.

The Company currently has sufficient working capital to meet its obligations for the next twelve months given the $2,510,000 of gross proceeds from the flow-through financing completed in November 2016 and the Company’s Agreement with PGB Timmins Holdings LP to finance the development of the Company’s Bradshaw Gold Deposit for a total of $USD17,600,000.

The Company will assess its future funding requirements to advance on development of the Bradshaw. The Company expects funding through completion by the PGB Timmins Holding LP agreement, equity transactions such as equity offerings, exercise of stock options and warrants or explore various alternative methods to continue the advancement of the Company’s projects.

Mineral Properties

According to Gowest’s Exploration and Evaluation Properties as at October 31, 2016, accumulated costs related to the Company’s interest in mineral properties owned, leased, under consideration to be acquired or under option, were as follows:

	November 1, 2015 Opening Net Book Value	Expenditures for the Year Ended October 31,2016	**October 31, 2016 Closing Net Book Value**
	$	$	**$**
Frankfield Property	17,126,596	1,797,447	**18,924,043**
Pipestone Property	1,098,294	334,399	**1,432,693**
Tully Property	888,275	3,375	**891,650**
Whitney Property	109,259	5,216	**114,475**
	19,222,424	2,140,437	**21,362,861**

Exploration and Development Expenditures

	Frankfield Property		Pipestone Property		Tully Property		Whitney Property		Total	
	Twelve Months Ended Oct 31, 2016	Twelve Months Ended Oct 31, 2015	**Twelve Months Ended Oct 31, 2016**	Twelve Months Ended Oct 31, 2015	**Twelve Months Ended Oct 31, 2016**	Twelve Months Ended Oct 31, 2015	**Twelve Months Ended Oct 31, 2016**	Twelve Months Ended Oct 31, 2015	**Twelve Months Ended Oct 31, 2016**	Twelve Months Ended Oct 31, 2015
	$	$	**$**	$	**$**	$	**$**	$	**$**	$
Opening Balance, Beginning of period	**17,126,596**	15,367,677	**1,098,294**	1,037,330	**888,275**	885,962	**109,259**	-	**19,222,424**	17,290,969
Acquisition and holding costs	**-**	-	**-**	-	**3,375**	-	**-**	109,259	**3,375**	109,259
Property upgrades	**131,538**	-	**-**	-	**-**	-	**-**	-	**131,538**	-
Office, Camp, Engineering, Study, Consultation and Permitting	**730,804**	1657,113	**149,698**	60,964	**-**	2,313	**5,216**	-	**885,718**	1,720,390
Drilling and Geophysics	**135,105**	101,806	**184,701**	-	**-**	-	**-**	-	**319,806**	101,806
Royalty Purchase	**800,000**	-	**-**	-	**-**	-	**-**	-	**800,000**	-
Closing Balance, End of Period	**18, 924,043**	17,126,596	**1,432,693**	1,098,294	**891,650**	888,275	**114,475**	109,259	**21,362,861**	19,222,424

Gowest's North Timmins Gold Project (NTGP) currently covers one patented mining claim, 11 mining leases and 56 unpatented mining claims over a total of 10,942 hectares (109 square kilometres) in Evelyn, Gowan, Little, Prosser, Tully, and Wark Townships in the Timmins gold camp. This includes 26 unpatented mining claims (3,302 hectares) held under joint venture with Transition Metals Corp. (Transition). The project is comprised of three main properties: Frankfield, Tully and Pipestone.

The project is located approximately 32 km north-northeast of the City of Timmins, Ontario. Gowest owns a 100% interest in all of the claims that are not part of the Transition joint venture.

(i) Frankfield Property

The Frankfield Property covers an area of 837 hectares and is comprised of nine mining leases. The property hosts the Bradshaw deposit that currently contains approximately 422,059 ounces of gold in the indicated category (2.1 million t at a grade of 6.2 g/t) and 754,583 oz. Au in the inferred category (3.6 million t at a grade of 6.5 g/t Au).

In March, 2009, Gowest acquired a 100% interest in the Frankfield project in Ontario. In consideration for New Texmont Exploration Ltd.'s ("New Texmont") 50% interest in the Frankfield project, the Company issued 15,000,000 common shares to New Texmont and also granted New Texmont a sliding scale Net Smelter Royalty (the "NSR").

In December 2015, the Company purchased the NSR from New Texmont with one-time payment with the issuance of 10,000,000 common shares (estimated grant date fair value of $800,000 based on the quoted market price of the Company's shares) at a deemed price of $0.10.

In February, 2010, the Company completed an agreement with Goldcorp Canada Ltd. and Goldcorp Inc. (collectively "Goldcorp"), for the purchase of Goldcorp's properties in Tully Township adjacent to the Company's 100% owned Frankfield Project. Consideration for this acquisition included a 2% NSR derived from future production specifically from the Goldcorp leased claims, a 1% NSR derived from future production specifically from the Goldcorp unpatented claims and $100,000 in cash (paid). The Company will maintain an NSR buyout option for both the Goldcorp leased claims and Goldcorp unpatented claims valued at $500,000 for each 0.5% of the desired NSR. Goldcorp may elect not to sell the final 0.5% portion of its NSR.

In December, 2010, the Company completed its acquisition of a 100% interest of the Dowe property in Tully Township, Ontario adjacent to the Company's 100% owned Frankfield Gold Property. In consideration for this acquisition, the Company paid $16,000 in cash, issued 70,000 common shares (estimated grant date fair value of $18,200 based on the quoted market price of the Company's shares) of the Company and agreed to a 0.5% NSR at gold prices of less than USD $950 per ounce or 0.75% NSR at gold prices equal to or greater than USD $950 per ounce. The Company maintains an NSR buyout option valued at $125,000 for each 0.25% of the NSR.

During the year ended October 31, 2015, the Company placed a financial assurance bond of $80,421 with the Ministry of Northern Development and Mines for the Bradshaw project advanced exploration closure plan, which is refundable once certain conditions are met. The bond is included in the Company's Long term deposits for the years ended October 31, 2016 and 2015.

(i) Tully Property

The Tully Property consists of two claim blocks totalling 2,513 hectares in Tully Township. The North block is located 3 km northeast of the Bradshaw Gold deposit and is comprised of one mining lease and one unpatented claim totalling 228 hectares. The Tully East Property, which consists of one patented claim, one mining lease and six unpatented mining claims covering 2,285 hectares, is contiguous to and east of the Frankfield Property.

(ii) Pipestone Property

The Pipestone Property (7,577 hectares) is comprised of two blocks, namely the East Pipestone and the West Pipestone, both east and west of the Frankfield Property respectively. The East Pipestone block consists of 21 wholly owned unpatented mining claims (4,274 hectares) and 12 unpatented mining claims (2,218 hectares), held by Gowest under a joint-venture agreement with Transition Metals Corp.

The Pipestone West Property consists of 15 unpatented mining claims (1,085 hectares), held by Gowest under a joint-venture agreement with Transition Metals Corp.

On April 26, 2011, the Company entered into an option and joint venture agreement (the "Option Agreement") with Transition Metals Corp. ("TMC") to explore and earn an interest in an additional 3,400 hectares in the Porcupine mining district in Ontario (the "Pipestone Property"). The Company completed its earn-in option for a 60% interest in the properties on April 26, 2016. Upon earning the 60% interest, as applicable, a joint venture automatically formed between Gowest and TMC, pursuant to which the companies will continue to explore and develop the Pipestone Property as warranted. Should either party's joint venture interest be diluted below 10%, its interest will be converted to a 2% NSR.

(iii) Whitney Property

The Gowest Whitney Property consists of nine patented claims (mining and surface rights) totalling approximately 144 hectares. It is located in the centre of the Timmins Gold Camp, 10 km west of downtown Timmins, Ontario and 25 km south of the Bradshaw gold deposit.

The Company had a historic interest in 5 patented claims and on July 22, 2015, the Company entered into an agreement to acquire a 100% interest in 4 additional patented claims from the Crown for shares and cash. In accordance with the terms of the agreement, the Company has paid $25,000 in cash and issued 1,000,000 common shares (estimated grant date fair value of $75,000 based on the quoted market price of the Company's shares) of the Company on August 25, 2015.

Pre-Feasibility Study and Refiling Announcements *(For further information please see News Releases June 9, 2015 and September 25, 2015)*

The Pre-Feasibility Study ("PFS") was conducted by Stantec Mining ("Stantec") through their Mississauga, Ontario office. The PFS was focused on mining the upper 500 vertical meters ("m") of mineralization at Bradshaw. Previous drilling has intercepted mineralization at a vertical depth of 1,350 m, indicating the deposit remains open for additional development.

The Company has identified more gold mineralization at Bradshaw, which does not currently meet the criteria for inclusion in the PFS but with further drilling from surface and once underground, Gowest intends to convert this mineralization into a resource.

Highlights of PFS issued in 2015 *(100% Equity, All figures in USD)***:**

Gold Price	$1,200/oz
Exchange Rate	CAD $1.00 = US$0.80
Pre-tax Net Present Value ("NPV") (5%)	$39.8 million
Pre-tax Internal Rate of Return ("IRR")	32%
After-tax NPV (5%):	$29.2 million
After-tax IRR	27%
Initial Capital	$21.5 million
Sustaining Capital	$21.4 million
Pre-tax Payback Period	3.5 years
Life of Mine ("LOM") Operating Cost	$821/ounce ("oz") gold ("Au")
All-in Sustaining Cost[1]	$891/oz
Ore Mined	1, 787,295; tonnes ("t")
Avg. Mineable Ore grade	4.82 grams per tonne ("g/t") Au
Development Rock Mined (additional mineralized rock)	666,253 t
Avg. Development Rock grade	1.31 g/t Au
Initial LOM (includes bulk sample)[2]	8.5 years
Total Gold (extracted in initial phase)[3]	305,058 oz
Total Gold Recovery	93%
Avg. Annual Recovered Au Production	40,500 oz
Gross Revenue to Operation	$341 million

[1] *All-in Sustaining costs are inclusive of LOM Operating Costs and Mine Sustaining Capital Cost as described in the Capital and operating costs highlights section in this release.*

[2] *Initial LOM includes 1.5 years of pre-production and 7 years of full production.*

[3] *Total gold ounces are mineral reserve ounces plus development rock ounces.*

The Company notes:

1. The PFS includes the ounces contained in the reserve derived from the updated measured and indicated resources of the gold mineralization at Bradshaw and does not include any of the inferred ounces of gold mineralization;
2. Additional mineralization that does not qualify as a reserve for these calculations has been identified in the development rock which is recoverable at a profit by using advanced rock-sorting technology and is expected to generate additional gold production;
3. The PFS is based on using third party mining, milling and refining;
4. The Company plans to use advanced rock-sorting technology to increase gold production beyond the scope for this PFS.

Capital and operating cost highlights:

Capital Costs are broken down into two parts. The first includes the capital ("Initial Capital") required to bring the deposit into production and start generating cash flow. If the mine should proceed to production, there is a sustaining capital cost ("Mine Sustaining Capital Cost") to develop the main ramp deeper into the mine over the LOM to complete the access to the reserve.

The costs are based on the construction of a greenfield mine site, contract mining and crushing, and the use of third party existing facilities for milling and refining.

Capital Costs (Millions USD)	
Initial Capital:	
Site Surface Development	10.5
Underground ("UG") Development ("Dev")	10.7
Closure Cost	0.3
Total Initial Capital	21.5
Mine Sustaining Capital Cost (UG Ramp Dev)	21.4
LOM Capital Costs	42.9

Operating Costs (Millions USD)	
Mining:	
Operating Costs	47.7
Level Development Costs	45.4
Owners Costs	25.0
Indirect	41.0
Total Mining	159.1
Toll Milling	39.9
Refining	34.1
Royalties	2.8
LOM Operating Costs	236.0

Next Steps

The Company's primary objective is to advance its Bradshaw Gold Deposit to development; and to increase its resource through exploration in the NTGP. To that end, the Company has received all the necessary permits to begin the Advanced Exploration at the Bradshaw gold deposit from the Ministry of Northern Development and Mines and from the Ministry of Natural Resources and the Ministry of Environment and Climate Change. The Company continues to consult with the various communities about the development of the Bradshaw project.

The Company also remains open to evaluating other potential opportunities to enhance shareholder value.

The next major step in the mine's development is an advanced exploration program aimed at producing the 30,000 tonne bulk sample from the primary gold zones in the underground mining area at Bradshaw. The Company announced that it has entered into a definitive Pre-Paid Forward Gold Purchase Agreement ("the Agreement") with PGB to finance the development of the Bradshaw Gold Deposit Bradshaw for a total of USD $17,600,000. The USD $17,600,000 will be received in four tranches over a twelve month period as partial consideration for the purchase of up to an aggregate of 65,805 ounces of gold to be produced from Bradshaw and delivered to PGB. Pursuant to the Agreement, during the 27 month period following payment of the initial tranche, PGB may elect to reduce the amount of gold deliverable by the Company by up to 10,000 ounces in exchange for up to 43,054,838 common shares of the Company having an aggregate value equal to USD $5,000,000.

In addition, the Company continues to review opportunities to increase the resource through exploration on the NTGP.

On a quarterly and annual basis, the management of the Company reviews exploration costs to ensure deferred expenditures include only costs and projects that are eligible for capitalization.

Commitments and Contingencies

The Company is party to a management and consulting contracts. The contracts contains clauses requiring additional payments of up to $582,000 be made upon the occurrence of certain events such as a change of control. As a triggering event has not taken place, the contingent payment has not been reflected in these financial statements.

On December 22, 2015, the Company issued a total of $1,017,742 in flow-through shares. As at October 31, 2016, the Company had expended $1,017,742 related to these flow-through funds as required to be spent by December 31, 2016. The Company has indemnified the subscribers of current and previous flow-through share offerings against any tax related amounts that become payable by the shareholder as a result of the Company not meeting its expenditure commitments.

The Company is committed to minimum amounts under two operating lease agreements for premises, which expire on July 31, 2018 and November 30, 2018. Minimum commitments remaining under this lease are approximately $227,000, of which $113,285 are due within one year.

The Company's exploration and evaluation activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Transactions with Related Parties

Related party transactions conducted in the normal course of operations are measured at the exchange value. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, to similar transactions to non-key management personnel related entities on an arm's length basis.

The remuneration of directors and key management of the Company for the year ended October 31, is as follows:

	2016	2015
Aggregate cash compensation	$ 535,000	$ 368,000
Share based compensation	153,450	$ 246,200

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. Independent non-executive directors are not remunerated other than the benefits received, if any, from the granting of stock options. Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

During the year ended October 31, 2016, officers, directors and insiders subscribed for 500,000 units in the private placements for proceeds of $50,000 and exercised 750,000 stock options for proceeds of $60,000. During the year ended October 31, 2015, officers, directors and insiders exercised 44,512,500 warrants for a value of $2,670,750. During the year ended October 31, 2016, $57,600 was paid to Mr. Yungang Wu, a director who provided geological services to the Company (October 31 2015 - $13,600) and $50,400 was paid to Mr. Meirong Yuan who provided corporate development services to the Company (October 31 2015 - $50,400). During the year ended October 31, 2016, $105,000 of accrued director compensation was settled by the issuance of 1,312,500 common shares to directors of the Corporation.

Included in accounts payable and accrued liabilities as at October 31, 2016 was $80,000 (October 31, 2015 - $133,000) owing to directors of the Company. These amounts are unsecured, non-interest bearing, and due on demand.

Proposed Transactions

There are no material decisions by the board of directors of the Company with respect to any imminent or proposed transactions that have not been disclosed.

Change in Accounting Policy

New accounting standards and interpretations effective in future period

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods beginning after November 1, 2016 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded from the list below. The following have not yet been adopted and are being evaluated to determine the impact on the Company.

(i) IFRS 9 – Financial instruments ("IFRS 9") was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

(ii) IFRS 16 – Leases ("IFRS 16") was issued in January 2016 and replaces IAS 17 – Leases as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right-of-use asset at cost less accumulated depreciation and accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognise the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise it is an operating lease. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted if IFRS 15 has also been applied.

(iii) IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in December 2014 in order to clarify, among other things, that information should not be obscured by aggregating or by providing immaterial information, that materiality consideration apply to all parts of the financial statements and that even when a standard requires a specific disclosure, materiality considerations do apply. The amendments are effective for annual periods beginning on or after January 1, 2016.

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and evaluation of mineral properties. The Board of Directors does not establish a quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage with the Bradshaw moving into development stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the year ended October 31, 2016. The Company is not subject to externally imposed capital requirements.

Refer to Note 3 in the audited financial statements.

Risk Considerations

Gowest's business of exploring for mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The Company attempts to mitigate these risks and minimize their effects on its financial performance, but there is no guarantee that the Company will be profitable in the future, and Gowest common shares should be considered speculative.

Financial Risk Factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing activities. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity.

All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

The Company will continue to review its ongoing financial requirements to meet continued exploration and evaluation plans.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(a) Interest rate risk

The Company has cash and cash equivalents and no interest-bearing debt. The Company's current policy is to invest excess cash in high interest savings accounts and investment-grade certificates of deposit issued by its Canadian financial institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its Canadian financial institutions. Currently, the Company does not hedge against interest rate risk.

(b) Foreign currency risk

Currency risk is the risk that the fair value of, or future cash flows from, the Company’s financial instruments will fluctuate because of changes in foreign exchange rates. The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company's exposure to foreign currency risk is minimal.

(c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, as they relate to gold, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. As the Company's mineral properties are in the exploration stage, the Company does not hedge against commodity price risk. The Company's long-term investment in Crown Mining Corp. (formerly Crown Gold Corporation) (“Crown”) is subject to fair value fluctuations arising from changes in the equity and commodity markets.

Credit risk

Credit risk is the risk of loss associated with a counterparty’s inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents and accounts receivable. Cash and cash equivalents consist of cash, high interest savings accounts and certificates of deposit at select Canadian financial institutions, from which management believes the risk of loss to be remote. Financial instruments included in accounts receivable consist of goods and services tax due from the Federal Government of Canada and receivables from joint venture partners. Management believes that the credit risk concentration with respect to financial instruments included in accounts receivable is remote.

Sensitivity analysis

The Company has designated its cash as held-for-trading, which is measured at fair value. Marketable securities are classified as available-for-sale, which are measured at fair value. Accounts receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

As at October 31, 2016, the carrying and fair value amounts of the Company's financial instruments are the same.

Based on management's knowledge of and experience with the financial markets, the Company believes the following movements are "reasonably possible" over a twelve month period:

(i) Cash equivalents are subject to floating interest rates. As at October 31, 2016 if interest rates had decreased/increased by 1% with all other variables held constant, the loss for the three and twelve month period ended October 31, 2016 would have not had been significantly impacted.

(ii) The Company's available-for-sale investment in the common shares of Crown is subject to fair value fluctuations. As at October 31, 2016, if the bid price of the common shares of Crown had changed by 10% with all other variables held constant, the other comprehensive income for the three and twelve month period ended October 31, 2016, before tax would not have been significantly impacted.

The Company does not hold any balances in foreign currencies to give rise to exposure to foreign exchange risk.

Commodity price risk is remote since the Company is not a producing entity.

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Company's President and Chief Executive Officer and Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure.

As at October 31, 2016, Gowest management, with the participation of the President and Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures as required by Canadian securities laws. Based on that evaluation, the President and Chief Executive Officer and the Chief Financial Officer have concluded that, as of the end of the period covered by this management's discussion and analysis, the disclosure controls and procedures were effective to provide reasonable assurance that material information required to be disclosed in the Company's annual filings and interim filings (as such terms are defined under Multilateral Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings) and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws and that material information is accumulated and communicated to management of the Company, including the President and Chief Executive Officer and the Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Internal Control Over Financial Reporting

Management of the Company is responsible for designing internal control over financial reporting or causing it to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with IFRS.

There are inherent weaknesses in the systems of internal control due to the small size of the Company and its inability to segregate incompatible functions. The Company plans to remediate this weakness by expanding the number of individuals involved in the accounting function as the company incurs future growth.

Outstanding Share Data

Common Shares:

The Company has authorized an unlimited number of common shares and 2,000,000 special shares, redeemable, voting and non-participating. The Company has 297,422,238 shares issued and outstanding as of the date hereof.

Gowest shares are traded on the TSX Venture Exchange under the symbol GWA.

Share Purchase Warrants:

As of the date hereof, the Company has 3,888,710 common share purchase warrants outstanding with an exercise price of $0.15 expiring December 2017.

Stock Options:

As of the date hereof, the Company has 12,275,000 options outstanding under the Company's stock option plan for employees, directors, officers and directors with a weighted average exercise price of $0.11 expiring from 2017 to 2021.

Additional Information

Additional information relating to the Company is available on the Internet at the SEDAR website located at www.sedar.com and at http://www.gowestgold.com/index.html.