



**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2016**

**Outrider Energy Corp.**  
**Management's Discussion and Analysis**  
**For the Nine Month Period Ended September 30, 2016**

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**Introduction**

Outrider Energy Corp. ("Outrider" or the "Company") is a junior resource exploration company focused on acquiring a portfolio of producing U.S. dry gas assets with significant low-cost proven undeveloped reserves.

The Company was incorporated under the British Columbia Corporations Act on December 17, 2007 under the name of Bryant Resources Inc. On October 10, 2008, the Company completed its initial public offering and on October 14, 2008, commenced trading on the Canadian Securities Exchange ("CSE"), formerly known as the Canadian National Stock Exchange, under the symbol "BYR".

On October 4, 2013, the Company changed its name to Outrider Energy Corp. The common shares of the Company currently trade on the CSE under the trading symbol "MCF".

The Company's head office is located at Suite 3123, 595 Burrard Street, Vancouver, British Columbia, Canada, V7X 1J1.

**Additional Information**

Additional information about the Company is available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.outriderenergy.com](http://www.outriderenergy.com).

This Management Discussion and Analysis ("MD&A") provides an analysis of the financial results of Outrider's operations and financial results for the nine month period ended September 30, 2016, and should be read in conjunction with the Company's condensed consolidated interim financial statements and the notes thereto for the period ended September 30, 2016 ( the "Financial Statements").

The Company reports its financial information in Canadian dollars and all dollar amounts are stated in Canadian dollars unless otherwise noted. The financial information presented in this MD&A is current as of November 8, 2016 and has been prepared in accordance with international financial reporting standards ("IFRS") as issued by the International Accounting Standards Board (the "IASB") and related interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

This MD&A has been approved by the Company's Board of Directors on November 8, 2016.

**Forward-Looking Statements**

Information and statements contained in the MD&A that are not historical facts are forward-looking information within the meaning of Canadian securities legislation, and involve risk and uncertainty. This MD&A contains forward-looking information including estimations and statements which describe the Company's future activities.

In certain cases forward-looking statements can be identified by such words as "plans", "expects", "budgets", "estimates", "forecasts", "intends", "anticipates" and "believes" including the negative thereof, or variations of such words combined with statements that events "may", "might", "could" or "will" be taken. These forward-looking statements involve factors that may change resulting in actual results differing materially from those expressed. Examples include timing and outcome of litigations, receipt of regulatory approvals, and valuation models.

Forward-looking statements contain known and unknown risks and uncertainties which could cause actual performance to be materially different from any future results. These factors are discussed in the "Risks and Uncertainties" section in the MD&A.

While the Company has identified a number of risks that could affect the Company's actual events, this may not be an all exhaustive listing and there could be other factors that could impact the actual results.

Such statements reflect the current views of the Company with respect to future events based on currently available information and are subject to risks and uncertainties. The statements contained in this MD&A speak only as of the

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date hereof, and the Company does not undertake any obligation to release publicly any revisions to these statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

**Corporate Matters**

On May 13, 2014, The Company incorporated a wholly owned and controlled U.S. subsidiary, Outrider Energy (U.S.A.), Inc. for the purpose of conducting business in the United States of America. This entity was dissolved on May 24, 2016.

On April 29, 2016, the Company completed a non-brokered private placement of an aggregate 999,999 units (“the Units”) at a price of \$0.1125 per Unit, for gross proceeds of \$112,500. Each Unit is comprised of one common share of the Company and one transferable share purchase warrant (a “Warrant”). Each whole Warrant is exercisable into one additional common share at an exercise price of \$0.15 per share for a period of five years from the closing of the date of the Offering.

**Outlook**

The Company expects to continue its search for viable opportunities in 2016 and to manage its cash balances as circumstances dictate to remain in a financially flexible position.

The focus on managing administrative and operational costs is consistent with the plan to conserve cash reserves and to employ funds only when there is a significant level of certainty that their use will be of benefit to the Company and stakeholders.

The Company anticipates that an equity financing may be required to meet funding requirements for its investment activities.

**3<sup>rd</sup> Quarter Analysis**

The following table sets forth selected items of income and expense that have significant variances between the nine-month and three-month periods ended September 30, 2016 and 2015:

Account Details	Three-month period ended September 30,		Nine-month period ended September 30,	
	2016 \$	2015 \$	2016 \$	2015 \$
Expenses				
Consulting	-	-	-	17,073
Salary and benefits	-	-	-	21,051
Legal	1,952	717	11,168	7,627
Office and miscellaneous	55	3,972	915	11,570

*Summary of Financial Results*

*Three months ended September 30, 2016 compared to the three months ended September 30, 2015*

During three month period ended September 30, 2016, the Company had a net loss of \$19,976 compared with \$23,678 in the same period in 2015. The decrease in net loss in Q3-2016 as compared to Q3-2015 was mainly due to a lower level of corporate activity during the period.

Significant variances occurred in the following categories:

- Legal fees of \$1,952 (2015: \$717) were higher due to fees incurred with connection to the Company’s Annual General Meeting.
- Office and miscellaneous of \$55 (2015: \$3,972) reflects the decrease in activities in office and administrative costs incurred this quarter compared to the same period in 2015;

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*Nine month period ended September 30, 2016 compared to the nine month period ended September 30, 2015*

During the nine month period ended September 30, 2016, the Company had a net loss of \$70,165 compared with \$114,896 in the same period in 2015. The decrease in net loss in Q3, 2016 as compared to Q3, 2015, was mainly due to a lower level of corporate activity and lower consulting and salary expenses incurred during the period.

Significant variances incurred in the following categories:

- Legal fees of \$11,168 (2015: \$7,627) were higher due to additional legal fees incurred in connection with the Company's share consolidation;
- Office and miscellaneous of \$915 (2015: \$11,570) are representative of the reduction in activities at the subsidiary level;
- Consulting fees of \$Nil (2015: \$17,074) were lower as the Company was no longer actively focusing its activities on the evaluation of potential oil and gas assets;
- Administrative and management fees increased to \$36,000 (2015: \$24,000) during the nine month period ended September 30, 2016. This increase is due to the fact that a portion of salaries paid in the previous period are replaced by management fees.
- Salaries and benefits of \$Nil (2015: \$21,051) are lower for the nine month period ended September 30, 2016 compared to the same period in 2015. This decrease is a result of salaries and benefits being replaced by management fees.

**Summary of Selected Quarterly Results**

The following is a summary of the Company's selected financial results for the eight most recently completed quarters. The information was prepared in accordance with IFRS.

	2016			2015				2014
	Q3 \$	Q2 \$	Q1 \$	Q4 \$	Q3 \$	Q2 \$	Q1 \$	Q4 \$
Total assets	<b>214,946</b>	249,246	156,790	174,238	196,837	218,549	284,604	333,384
Working capital	<b>205,903</b>	225,747	140,216	164,562	179,522	203,009	250,677	293,847
Expenses	<b>(20,171)</b>	(25,640)	(23,629)	(15,641)	(24,532)	(48,068)	(44,982)	(94,140)
Net loss	<b>(19,976)</b>	(25,710)	(24,479)	(15,150)	(23,678)	(47,859)	(43,359)	(95,057)
Total comprehensive loss	<b>(19,976)</b>	(25,710)	(24,479)	(15,150)	(23,678)	(47,859)	(43,359)	(89,830)
Loss per common share – basic and diluted	<b>(0.00)</b>	(0.01)	(0.02)	(0.01)	(0.02)	(0.03)	(0.03)	(0.06)

The Company had no revenue, paid no dividends and had no long-term liabilities during the eight most recent quarters.

Significant fluctuations for the quarterly periods are due to the following:

*Total Assets*

The increase in the Company's assets is primarily due to the raise of capital of \$112,500 to fund current operations.

*Working Capital*

The decrease in the Company's working capital in 2014, 2015 and Q1-2016 were primarily due the use of capital to fund current operations. The Company's working capital increased in Q2-2016 as a result of the proceeds received from a non-brokered private placement.

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*Expenses*

Operating expenses have generally been stable over the six quarters after Q4-2014. The increase in operating expenses in Q2 and Q3-2014 was the result of the Company adding to its advisory team and focusing its activities on the evaluation of potential dry gas assets. The decrease over the seven quarters after Q4-2014 was mainly due to a lower level of corporate activity and reduced property evaluation activities.

**Liquidity and Capital Resources**

The Company is an exploration stage enterprise. It does not earn any operating revenues and relies on its working capital to fund its corporate activities and administrative costs. The Company's cash position on September 30, 2016 was \$207,409 compared to \$168,822 on December 31, 2015.

As at the date of this report, the Company's working capital is approximately \$192,000.

**Capital Management**

The Company manages its capital, being its cash and cash equivalents, share capital and share purchase warrants, in order to support its future business opportunities. The Company's investment policy is to hold cash and cash equivalents with financial institutions of high credit worthiness with maturities of one year or less with the option to liquidate at any time without penalty. Planning, budgeting, forecasting and controls over major expenditures are the tools used to manage the Company's capital. There can be no assurance that the Company will be successful in obtaining the required financing or that this capital will be available on favorable terms or available at all.

The Company does not know of any trends, demands, commitments, events or uncertainties that will result in, or that are reasonably likely to result in, its capital either materially increasing or decreasing at present or in the foreseeable future.

*Operating Activities*

Cash used in operating activities during the period ended September 30, 2016 was \$70,521 compared to net cash use of \$128,748 during the period ended September 30, 2015. The decrease in 2016 was due to lower level of corporate activity.

*Financing Activities*

During the period ended September 30, 2016, the Company received net proceeds of \$111,108 (September 30, 2015:\$Nil) from financing activities.

*Investing Activities*

The Company had no investing activities during the periods ended September 30, 2016. During the period ended September 30, 2015, the Company received \$250,000 from investing activities by redeeming its short term investment.

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**Share Capital**

As of the date of this MD&A, there was:

i. Authorized Share Capital

The Company has an unlimited number of common shares without par value.

ii. Shares and Share Purchase Warrants Issued and Outstanding

On March 26, 2015, the Company consolidated its issued and outstanding common shares such that every 20 existing shares have been consolidated into one new share. The Company's warrants have also been adjusted to account for the consolidation in accordance with the terms and conditions of such warrants.

	November 8, 2016
Common shares issued and outstanding	2,472,114
Warrants	1,999,999
Total, fully diluted	4,472,113

iii. Stock Options Outstanding

The Company has no stock options outstanding.

iv. Stock Option Plan

The 2008 Share Option Plan (the "Plan") was adopted by the Company's board of directors on May 12, 2008. The Plan provides that, subject to the requirements of the CSE, the aggregate number of securities reserved for issuance under the Plan may not exceed 10% of the issued and outstanding shares of the Company at the time of granting of share options (including all share options granted by the Company to date). The exercise price of each share option is based on the market price of the Company's common share at the date of the grant.

**Transactions with Related Parties**

Transactions with related parties were in the normal course of operations and are measured at an exchange amount established and agreed to by the related parties.

In addition to the related party transactions noted below, the Company reimbursed all these related parties for out-of-pocket direct costs incurred on behalf of the Company. Such costs include travel, postage, courier charges, printing and telephone charges.

	Nine month period ended September 30, 2016 \$	Nine month period ended September 30, 2015 \$
<b>Transactions with Key Management Personnel</b>		
Salaries paid to the former Chief Financial Officer and included in salary and benefits	-	21,051
<b>Transaction with Other Related Parties</b>		
Management fees paid to J. Proust & Associates, a company controlled by John Proust, an officer and director	36,000	24,000

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**Financial Instruments and Risk Management**

At September 30, 2016, the Company's financial instruments consisted of cash, other receivables, and accounts payable and accrued liabilities. Fair value estimates are made at the reporting date based on relevant market information and information about the financial instrument. These estimates are subjective in nature and may involve significant uncertainties in matters of judgement and, therefore, cannot be determined with precision.

The Company's financial instruments have been classified as follows under IFRS:

- Cash and cash equivalents: fair value through profits and loss
- Other receivables: loans and receivable
- Account payable and accrued liabilities: other financial liabilities

The types of financial risk exposure and the way in which such exposure is managed by the Company is as follows:

*Credit Risk* – It is management's opinion that the Company is not exposed to significant credit risk arising from these financial instruments. The Company's exposure to credit risk on its cash and cash equivalents and short-term investments is limited by maintaining these assets with high-credit quality financial institutions.

*Liquidity Risk* – Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they become due. The Company manages liquidity risk by ensuring that it has sufficient cash and other financial resources available to meet its obligations. The Company typically forecasts cash flows for a period of 12 months to identify financial requirements. These requirements are met through a combination of cash on hand, disposition of assets and accessing capital markets.

At September 30, 2016, the Company's current liabilities consisted of accounts payable and accrued liabilities of \$7,666. The Company's cash balance of \$207,409 at September 30, 2016 is sufficient to pay these current liabilities and to meet projected financial requirements for a period of 12 months subsequent to the reporting date.

*Market Risks* – The only significant market risks to which the Company is exposed are those of interest rate and foreign currency risk.

*Interest Rate Risk* – Interest rate risk is the risk that the future cash flows of the Company will fluctuate because of changes in market interest rates. Based on the Company's cash and cash equivalents and short-term investments at September 30, 2016, and assuming that all other variables remain constant, a 1% increase or decrease in interest rates would result in no decrease or increase to the Company's net loss (on an annualized basis).

*Foreign Currency Risk* – The Company operates in the United States and is exposed to foreign currency risk relating to United States dollars, from purchases and loans that are denominated in currencies other than the respective functional currencies of the Company's subsidiary. The Company's subsidiary has a United States dollar functional currency, with net assets that are exposed to foreign currency translation risk. The Company has elected not to actively manage this exposure at this time. For the period ended September 30, 2016, with other variables unchanged, a 1% strengthening of the United States dollar against the Canadian dollar would result in no decrease or increase to the Company's net loss and comprehensive loss.

**Critical Accounting Estimates and Judgments**

The preparation of financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. Financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic

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conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

*Estimation Uncertainty*

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year:

- i. Provisions for income taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were originally recorded, such differences will affect the tax provisions in the period in which such determination is made.

Reference should be made to the Company's significant accounting policies contained in Note 2 of the Company's financial statements as at September 30, 2016. These accounting policies can have a significant impact on the financial performance and financial position of the Company.

**Recent Accounting Pronouncements**

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC that are mandatory for accounting periods beginning after January 1, 2016, or later periods. Updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

The standards and interpretations that is issued, but not yet effective, up to the date of authorization of the September 30, 2016 condensed consolidated interim financial statements are disclosed below. Management anticipates that all of the pronouncements will be adopted in the accounting policy for the first period beginning after the effective date of the pronouncement.

The Company continues to evaluate the impact the implementation of these standards will have on the consolidated financial statements.

*Accounting Standards Anticipated to be Effective in future periods:*

- IFRS 9 - Financial Instruments. This IFRS introduces new requirements for classifying and measuring financial assets and liabilities and carries over from the requirements of IAS 39 - Financial Instruments: Recognition and Measurement, Derecognition of Financial Assets and Financial Liabilities. The required adoption date for IFRS 9 is January 1, 2018.
- IFRS 15 - Revenue from Contracts with Customers. This IFRS establishes principles to address the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. IFRS 15 will be effective for annual periods beginning on or after January 1, 2017, with early adoption permitted.
- IFRS 16 - Leases. This IFRS, which supersedes IAS 17 - Leases, specifies how to recognize, present and disclose leases. The standard provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted if IFRS 15 has also been applied.

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**Commitments**

The Company currently has no commitments.

**Off-Balance Sheet Arrangements**

The Company has no off-balance sheet arrangements.

**Disclosure Controls and Procedures**

Management has established disclosure controls and procedures for the Company in order to provide reasonable assurance the information is made known to it in a timely manner, particularly during the period in which the annual and quarterly filings were being prepared.

**Legal Matters**

The Company is not currently, and has not at any time during its most recently completed financial year, been a party to, nor has any of its property been the subject of, any material legal proceedings or regulatory actions.

**Proposed Transactions**

As is typical of the resource exploration and development industry, the Company is continually reviewing potential merger, acquisition, investment and joint venture transactions and opportunities that could enhance shareholder value. At present, there are no transactions pending that would affect the Company's financial condition, results of operations or cash flows from any asset.

**Post Reporting Date Event**

There were no adjusting or significant non-adjusting events that occurred between September 30, 2016 and the date of this report that have not already been disclosed elsewhere in this MD&A.

**Risk and Uncertainties**

The Company's principal activity involved the exploration and development of resources interests. Companies in this industry are subject to many risks including, but not limited to, environmental, fluctuating commodity prices, social, political, financial and economic risk. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen.

The risk and uncertainties described in this section are considered by management to be the most important in the context of the Company's business.

*Environmental Factors* – 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. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations or result in substantial costs and liabilities in the future.

*Governmental Regulation* – Exploration and development will be affected to varying degrees by: (i) government regulations relating to such matters as environmental protection, health, safety and labour; (ii) restrictions on production, price controls, and tax increases; (iii) maintenance of interests; (iv) tenure; and (v) expropriation. There is no assurance that future changes in such regulation, if any, will not adversely affect the Company's operations.

*Financing Ability* – The Company's ability to continue exploration, development, and acquisition efforts will be largely reliant on its continued attractiveness to equity investors. The Company will incur operating losses as it continues to expend funds to explore and develop its properties and possibly other properties. There is no guarantee

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that the Company will be able to develop any of its properties to commercial production. Furthermore, should the Company require additional capital, failure to raise such capital could result in delay or indefinite postponement of exploration and development activities.

*Exploration and Development* – Exploration is highly speculative in nature, involving many risks, and frequently is unsuccessful. No assurance can be given that exploration programs will result in the definition of reserves or that reserves may be economically developed. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors which are beyond the control of the Company.

*Operating Hazards and Risks* – The work that the Company proposes to undertake will be subject to all the hazards and risks normally incidental to such activities, any of which could result in work stoppages and damage to persons or property or the environment and possible legal liability for any and all damage. The Company could incur significant costs that could have a material adverse effect upon its financial condition.

*Commodity Prices* – The price of commodities has fluctuated dramatically, particularly in recent years, and is affected by numerous factors beyond the Company's control. The effect of the volatility and therefore the economic viability of the Company's interests cannot be accurately predicted at this time. This could adversely affect the Company's operations.

*Dependence on Key Employees* – The Company's future growth and its ability to develop its projects depends, to a significant extent, on its ability to attract and retain highly qualified personnel. The Company is highly dependent on the principal members of its senior management group and the loss of their services could impede the Company's business strategy and growth.

*Conflicts of Interest* – Certain of the Company's directors and officers serve or may agree to serve as directors or officers of other reporting companies or may have significant shareholdings in other reporting companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms.

*Competition* – The industry is intensely competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of concessions, claims, leases and other interests as well as for the recruitment and retention of qualified employees.

*No Dividends* – The Company has not paid any dividends on its common shares during the past. Any decision to pay dividends on its shares in the future will be dependent upon the requirements of the Company to finance future growth, the financial condition of the Company and other factors which the board of directors of the Company may consider appropriate in the circumstances.