

ARIANNE PHOSPHATE INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

First Quarter 2015

Period ended March 31, 2015

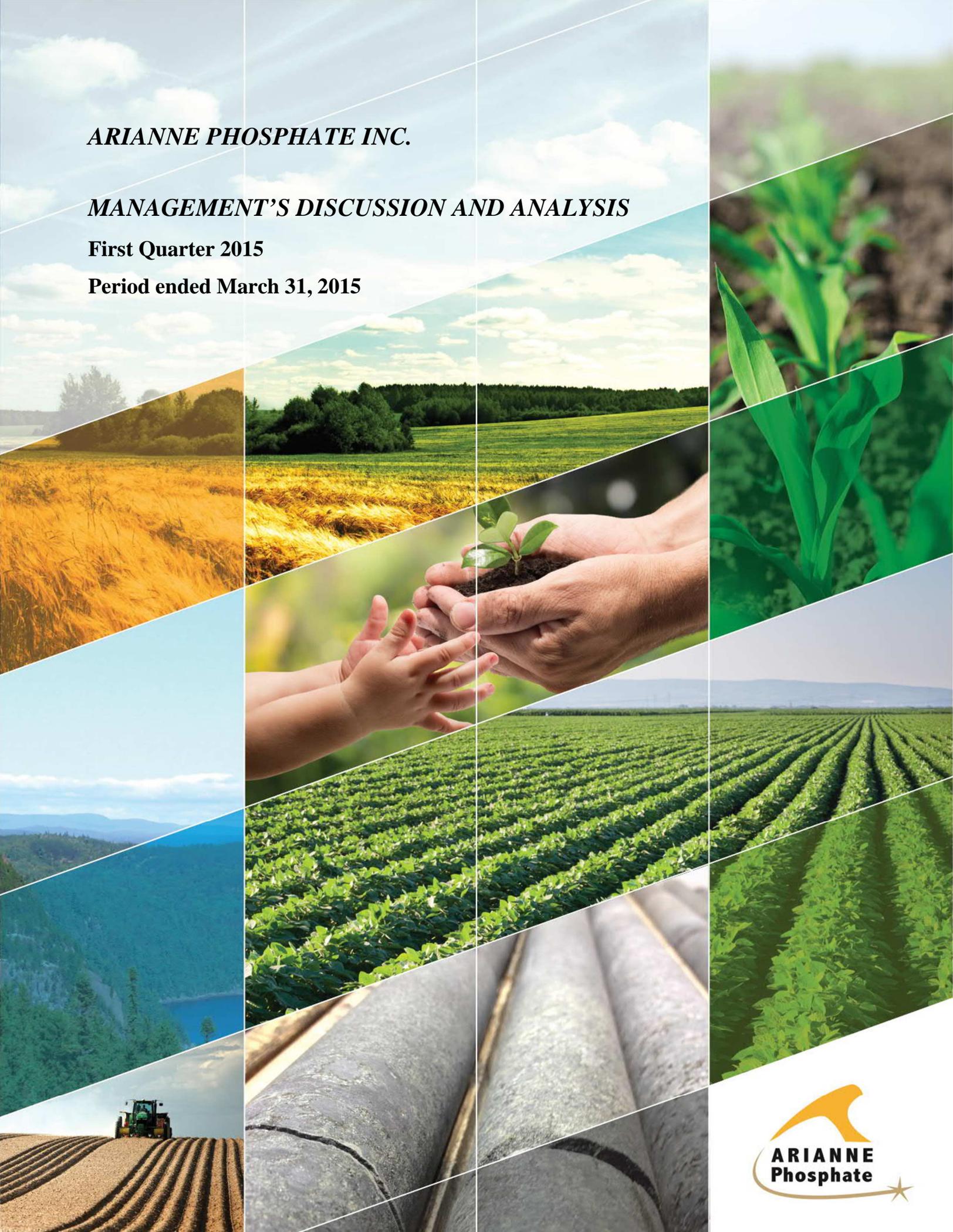


TABLE OF CONTENTS

FORWARD-LOOKING INFORMATION.....	3
DESCRIPTION OF THE BUSINESS	3
HIGHLIGHTS.....	4
2015 OBJECTIVES.....	5
FEASIBILITY STUDY.....	5
OPERATIONAL REVIEW.....	6
PHOSPHATE INDUSTRY TRENDS	9
SUSTAINABLE DEVELOPMENT	10
SUMMARY OF FINANCIAL ACTIVITIES FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015.....	11
FINANCIAL POSITION ANALYSIS.....	11
CASHFLOWS, LIQUIDITY AND CAPITAL MANAGEMENT	11
FINANCING	12
SUMMARY OF QUARTERLY RESULTS	12
RELATED PARTY TRANSACTIONS	13
OFF BALANCE SHEET ARRANGEMENTS.....	14
OBLIGATIONS AND COMMITMENTS.....	14
APPLICATION OF NEW AND REVISED IFRS AND CRITICAL ACCOUNTING ESTIMATES.....	15
FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT.....	15
INFORMATION ON SHARES OUTSTANDING.....	15

Management's Discussion and Analysis ("MD&A") presents an analysis of the financial situation and operations of Arianne Phosphate Inc. ("Arianne" or the "Company") for the period ended March 31, 2015. This report was prepared in compliance with the provisions of Form 51-102F1, approved by the Board of Directors and dated May 28, 2015. It should be read in conjunction with the unaudited condensed interim consolidated financial statements for the period ended March 31, 2015 (the "financial statements").

The accounting policies followed in the financial statements are consistent with those applied in the Company's annual financial statements for the year ended December 31, 2014. The financial statements should be read in conjunction with the Company's consolidated and audited annual financial statements for the year ended December 31, 2014 which have been prepared in accordance with IFRS as issued by the IASB.

All amounts presented in the MD&A are in Canadian dollars (CAD) unless otherwise noted.

FORWARD-LOOKING INFORMATION

Certain statements in this MD&A about our current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements, or any other future events or developments constitute forward-looking statements. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "likely", "predicts", "estimates" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements. Specific forward-looking statements in this MD&A include, but are not limited to, statements with respect to the general development of the business and the eventual start of commercial production and to the liquidity position of the Company. Forward-looking statements are based on information currently available to us and on estimates and assumptions made by us regarding, among other things, general economic conditions and the mining industry in general, in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate and reasonable in the circumstances. Although reasonable, the statements can entail known and unknown risks and uncertainties and, accordingly, actual results and future events could differ materially from those anticipated in such statements.

DESCRIPTION OF THE BUSINESS

Arianne is a company focused on the development of the Lac à Paul phosphate rock project (Lac à Paul) located in the Saguenay–Lac-St-Jean area, Québec. The Company's shares are listed on the TSX Venture Exchange (symbol DAN), on the Frankfurt exchange (symbol JE9N) and on the US Stock Exchange Over-the-Counter QX (OTCQX) (symbol DRRSF). The registered office of the Company is located at 393 Racine Street East, Suite 200, Chicoutimi, Québec, Canada G7H 1T2.

HIGHLIGHTS

- The Company presented the environmental impact assessment and economic benefits related to its phosphate project to the Bureau, Public Environmental Reviews (“BAPE”), an independent agency, in February 2015. The presentation marked the start of Arianne’s public information and consultation process to receive environmental permitting for the Lac à Paul project.
- The Company announced a reduction of its operational estimated production cost of US\$4.26 per ton representing a cost savings of almost 5%, from the original Feasibility Study (FS). This should result in annual savings of approximately US\$12.75 million, or close to US\$330 million over the planned 26-year mine life. According to Arianne’s FS filed in October 2013, the Company initially projected an FOB Port of Saguenay cost of US\$93.70 per ton for its premium quality 39% P2O5 concentrate.
- Through exploration activities completed in 2014, Arianne has identified new measured and indicated resources on the Paul Eastern Extension. Arianne’s updated resource estimate now shows a 5% increase in measured and indicated resources (702.7 million tonnes vs. 668.7 million tonnes) over its previously announced resources released on October 14, 2014.
- The Company announced that it has successfully completed a customer trial program that produced a phosphate concentrate with a superior grade and lower contaminants than previously ever achieved by the company. The customer trial produced 1.2 tonnes of phosphate concentrate with a grade of 40.0% of P2O5 and 0.03% of contaminants. The results surpass previous metallurgical test work that had produced a P2O5 concentrate of 38.8% with 0.089% of contaminants.
- In March 2015, the Company issued 400,000 non-transferable common share purchase warrants (“Warrants”) to Mercury Financing Corp. (the “Lender”), the lender of the credit lines further described in note 9 of the financial statements. The Warrants were issued in relation to an agreement with the Lender to defer interest payments on the credit lines (the “Agreement”). The Agreement provides for the deferral of approximately \$600,000 in interest payable to the Lender until maturity of the credit lines in December 31, 2015. Each Warrant entitles the Lender to purchase one common share of the Company at an exercise price of \$0.74. The Warrants shall be exercisable for a period of one year from the date of the signature of the Agreement. The warrants are subject to a hold period of four months.
- The first public information meeting regarding the BAPE was held on February 18, 2015 in the city of Saguenay. This is an essential and vital process in order for the Company to secure its operating permit. The Bureau is a neutral and independent organization that reports to the Ministère du Développement durable, Environnement et Lutte contre les changements climatiques (MDDELCC or Minister), Government of Québec. The role of the BAPE is to make enquiries and to consult the public in order to provide informed input that will assist in government decision making with a sustainable development perspective.

- The Company has, over the last months, prepared and delivered an environmental impact study which was deemed having been completed by the Minister. The Minister has subsequently entrusted the BAPE with a first mandate (ie. holding a public information and consultation period). The impact study and other documents relating to the project have been made available to the general public. This was followed, from April 27 to April 29, 2015, by an initial information session for citizens from the community to ask questions and express their opinions relating to the project. Briefs can now be submitted in writing to the BAPE. The second information session hosted by the BAPE took place on May 26, 2015. Once the public hearings are over, the BAPE will draft its report and submit it to the MDDELCC who will then submit its recommendations to the Government of Québec which is responsible for making the final decision to authorize the project.
- The Company will be attending the LD Micro conference in June 2015. Arianne will be giving its corporate presentation. This conference will provide us the opportunity to update investors on our recent accomplishments.

2015 OBJECTIVES

Over the short term, the strategic objectives that guide management and the Company's directors can be summarized as follows:

- Optimize operating and capital expenses;
- Sign the “agreements in principle” with the First Nations;
- Obtain the permitting; and
- Secure the strategic partners and financing.

Over the medium term, the Company's goal remains to build a profitable phosphate mine as soon as permitting and financing are obtained and generate economic returns and benefits for our shareholders as well as stakeholders in the Saguenay–Lac-St-Jean region.

FEASIBILITY STUDY

In October 2013, Arianne released the FS of its Lac à Paul phosphate mine project. The FS outlines an open pit mine, a mill producing a high-quality phosphate product and a transport system delivering the product to a year-round deep-water port on the Saguenay River.

Study highlights

- Net present value (“NPV”) of US\$1,910.1 million before taxes at an 8% discount rate.
- Gross revenue, in real terms, of US\$16,124.8 million and operating cash flows of US\$7,379.6 million.
- Internal rate of return (“IRR”) of 20.7% with a capital payback of 4.4 years before taxes and mining duties.

- A 26 year mine life (excluding pre-production) with an average annual phosphate concentrate production of 3 million tonnes with a grade of 38.6% P₂O₅ and with average mill recovery of 90.0%.
- The initial capital cost of the project is US\$1,214.7 million comprising US\$982.5 million for the mine and US\$232.2 million for the concentrate transport system that delivers product to the deep-water Port of Saguenay, open 365 days a year.
- The all-in cost on board the ship in the deep-water Port of Saguenay is US\$93.7/tonne life of mine (LOM) (i.e. FOB Port of Saguenay) and yields an operating margin of 56% with an average selling price of \$213/tonne at the port.
- Measured and indicated mineral resources in the Paul Zone alone of 590 million tonnes grading an average of 7.13% P₂O₅ at a 4.0% cut-off grade (does not include 164 million tonnes of Manouane Zone mineral resources).
- 75.7 million tons of saleable concentrate at 38.6% P₂O₅ in proven and probable mineral reserves, considering a cut-off grade of 3.5% P₂O₅, of 472.1 million tonnes at an average grade of 6.9% P₂O₅ (based on the Paul Zone mineral resource).
- Hydro-Québec confirmed power availability of 115 MW at the Chute des Passes power plant located 30 km from the mine.

OPERATIONAL REVIEW

Paul Zone growth potential

Through further exploration activities completed last fall, Arianne has identified new measured and indicated resources on Paul Eastern Extension of 12.5 million tonnes at 6.31% P₂O₅ with a 4.0% P₂O₅ cut-off grade. Additionally, an updated resource estimate from the remodeling on Paul Zone and its Western Extension now amount to 690.2 million tonnes at 7.18% P₂O₅ with a 4.0% P₂O₅ cut-off grade in the measured & indicated category. In total, Arianne's updated resource estimate now shows a 5% increase in measured and indicated resources (702.7 Mt vs 668.7 Mt) over its previously announced resources released.

Infrastructure

The project is located 240 km north of the Saguenay–Lac-St-Jean region in Québec, Canada. This region is well-diversified with good existing infrastructure and has a strong industrial base with a high-quality labour pool. The region is also known for numerous hydropower generating dams. It has a well-developed road network and deep-sea access.

The Lac à Paul project will get its 115 MW of electricity from Hydro-Québec through Rio Tinto Alcan's Chute-des-Passes Power dam, which is located 40 km from the project. A 345-kV/161-kV substation at Chute-des-Passes and a 161-kV power line will be built to supply the electricity to the Lac à Paul mine site.

Phosphate concentrate transport

The phosphate concentrate will be transported by truck from the mine on an existing logging road to a deep-water port located on the north shore of the Saguenay Fjord.

The different studies led in June 2014 to the selection and presentation of a scenario using forest roads R-253 and R-200 on the “Monts-Valin” and the maritime terminal on the north shore of the Saguenay River at Sainte-Rose du Nord.

Metallurgy

The Company completed a customer trial program that produced a phosphate concentrate with a superior grade and lower contaminants than previously ever achieved by the company. The customer trial produced 1.2 tonnes of phosphate concentrate with a grade of 40.0% of P2O5 and 0.03% of contaminants. These tests were completed by adding an additional step beyond Arianne's already optimized metallurgical process. The results surpass previous metallurgical test work that had produced a P2O5 concentrate of 38.8% with 0.089% of contaminants.

Cost savings

The Company has identified an additional cost savings of US\$4.26 per ton related to its planned production of phosphate concentrate. The reduction represents a cost savings of almost 5% and, according to the Company's FS, should result in annual savings of roughly US\$12.75 million, or close to US\$330 million over the planned 26 year life of mine. Arianne generated the cost savings by optimizing its original mine plan and commencing operations on the western part of the deposit, thereby improving the stripping ratio, and allowing the Company to adopt a different schedule on material waste handling.

First Nations

Negotiations continued with the three First Nation communities impacted by the Lac à Paul project: Pessamit, Mashteuiatsh and Essipit, to establish a common agreement in principle. The common agreement in principle will be used as a framework to govern the relationship between Arianne and the three communities in accordance with our mutual intentions to further build on a relationship characterized by cooperation and mutual respect, in connection with the development of the Lac à Paul project. The common agreement in principle will set out the areas in which Arianne and the three communities have agreed to work together and maintain effective avenues of communication to support mutual goals.

Community relations Saguenay–Lac-St-Jean

As the project develops, the Company is maintaining an open dialogue with the stakeholders in the region, as well as with groups and individuals impacted by the project. Community relations have always been a priority for Arianne. The Company is committed to maintaining full and open communication with all communities affected by the Lac à Paul project.

Throughout the period ended March 31, 2015, numerous meetings were held with key political, economic and community stakeholders involved in the project.

Economic impact of the project

The firm Raymond Chabot Grant Thornton (RCGT) submitted the results of its study on the economic impacts of the implementation of the Lac à Paul project.

The RCGT analysis confirms that the significant economic benefits of the mine will increase collective wealth in the region by increasing the average income of workers and fostering the emergence of a new cluster of mining contractors, in addition to diversifying the region's traditional economy based on the forest and aluminium industries.

The Project will also attract new residents with expertise in the mining sector, in addition to generating opportunities for educational institutions in the region. Arianne is working with all stakeholders, including First Nations, so that the project will enable the region to grow and become more competitive.

The economic benefits include:

- Total economic benefits of \$12.6 billion;
- Total revenue for the federal and provincial governments of nearly \$4 billion;
- During construction, the creation of almost 2,250 jobs per year and job-related income of more than \$300 million; and
- During the 26 years of mine operation, nearly 1,000 jobs per year and job-related incomes of over \$1.6 billion.

Port of Saguenay

The Port of Saguenay and Arianne will cooperate in building a maritime terminal on the north shore of the Saguenay River in the limits of Sainte-Rose-du-Nord. The maritime terminal will be subject to a Federal process that will include public hearings. These will be conducted in parallel with the BAPE's public hearings.

The port authority of Saguenay (Port de Saguenay) has filed a description of a maritime terminal and its adjacent facilities construction project on the north shore of the Saguenay River to the Canadian Environmental Assessment Agency on April 14, 2015. The next step is a 20 days public comment period on this project description. Additional information regarding the functionalities of this process can be viewed on the following web site: <http://www.ceaa-acee.gc.ca>.

This project was initiated as a complement to Arianne's apatite mining project. The aim of Port de Saguenay's project is to meet the needs of Arianne for the shipment of the phosphate concentrate to foreign markets.

Social acceptance

In order to minimize the transport impact for the resident of the Zec Martin-Valin and the Lake Neil, the Company has signed an agreement with those parties to offset the impact of the transport of the concentrate.

PHOSPHATE INDUSTRY TRENDS

Phosphate rock mining is declining in North America, and there is now a production deficit that is expected to increase in the coming years. The actual deficit in Canada and United States is 4 million tons per year and the deficit will increase up to 8 million tons per year in 2020. Demand for phosphate is increasing due to global population growth.

Within this context, the Lac à Paul project can make up for part of the shortfall and reliably provide supply security of high-quality phosphate rock.

Phosphate has no substitute and is a key component essential to life. It helps root development and drought resistance of plants.

Phosphate purchasers (the potential clients) are concerned about supply security and are interested in the geopolitical situation of the region where the mine is located. The Lac à Paul project is located in a politically stable mining-friendly jurisdiction.

SUSTAINABLE DEVELOPMENT

Measuring and offsetting greenhouse gas emissions

As part of its Sustainable Development Policy, Arianne offsets its greenhouse gas (GHG) emissions by investing in sustainable development and innovation projects.

During the first quarter of 2015, Arianne's activities have been responsible for the emission of 6 tonnes of CO₂ equivalent (Table 1).

Arianne's activities are focused on the development of the Lac à Paul project, fieldwork, including sampling and equipment and workforce transport. Arianne invests in a compensation for the emission of CO₂ equivalent (Table 2).

Table 1: Greenhouse gas emissions associated with each of the Company's activities during the first quarter 2015 (in tonnes)

	Total	Administration and field transportation	Logging	Drilling	Excavation	Other
<i>Work and representation</i>	6	6	-	-	-	-
Percentage (%)	100%	100%	-	-	-	-

Table 2: Summary of offset measures implemented by Arianne as at March 31, 2015

Emissions	Tonnes
1999-2010	867
2011	222
2012	963
2013	100
2014	2,070
2015	6
Financial equivalents	4,228
Price/tonne CO ₂ (\$/tonne)	12.08
Amount to offset (\$)	45,245
Amounts already invested	\$
Global TraPs 2011	5,181
UQAC Eco-advising Chair	4,240
Global TraPs 2012	3,490
Research grant 2012-2014	27,000
Carbone Boréal 2012	37
Total invested	39,948
Additional investment	5,297

SUMMARY OF FINANCIAL ACTIVITIES FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015

The net loss for the period ended March 31, 2015 is \$891,200 compared to a net loss of \$1,405,963 for the period ended March 31, 2014.

The operating loss in 2015 of \$870,190 was lower than in 2014 (\$1,262,058). Between 2015 and 2014, this decrease is explained by the lower level of activity, thus reduced professional and consultant fees (decrease of \$154,242). There is also less promotion, representation and travel also due to the lower level of activities (decrease of \$68,595).

The decrease in the net loss and the operating loss between the first quarter 2014 and 2015 is explained by the fact that the Company is actually focused of the process of the BAPE to obtain permitting which will lead to the construction and operation of the Lac a Paul mine.

FINANCIAL POSITION ANALYSIS

As at March 31, 2015, total assets are lower compared to December 31, 2014. This is mainly due to the lower cash and cash equivalent available, offset by an increase in the exploration and evaluation assets. Through the period, the Company has continued to develop the Lac a Paul project by investing \$1,215,484 net of tax credits in its exploration and evaluation assets, composed of the Lac à Paul property.

Current liabilities as at March 31, 2015 at \$14,314,375 are higher than at December, 31 2014, at \$13,846,931, as a result of the capitalized interest related to the credit lines. The accounts payable and accrued liabilities have also increased from \$1,191,290 in 2014 to \$1,282,092 in 2015. This is due to the higher expenses incurred at the end of the period and an increase of the delay of payment.

CASHFLOWS, LIQUIDITY AND CAPITAL MANAGEMENT

Liquidity risk is the risk that the Company encounters when its encounters difficulty in meeting its financial obligations (ie. liabilities). The Company's cash balance as at March 31, 2015 was \$2,651,992, and its non-current tax credit related to resources and mining tax was of \$1,558,909.

Based on current spending estimates for project development in 2015 and the current portion of the credit line, the Company will need additional financing during 2015. The Company expects it will be able to secure sufficient financing at reasonable rates but has no assurance that it will be able to do so.

Cash flows from (used in)	March 31, 2015 \$	March 31, 2014 \$
Operating activities before the net change in non-cash working capital items	(669,140)	(1,219,583)
Net change in non-cash working capital items	11,009	178,801
Operating activities	(658,131)	(1,040,782)
Investment activities	(527,597)	(986,240)
Financing activities	-	412,400
Increase (decrease) in cash and cash equivalents	2,651,992	1,614,622

Operating activities

For the period ended March 31, 2015, cash outflows from operating activities totalled \$0.7 million, compared to \$1 million for the same period in 2014.

Investment activities

For the period ended March 31, 2015, there was \$0.5 million of cash used in investing activities which primarily reflects expenses for exploration and evaluation assets of \$0.8 million. This was partially reduced by the receipt of the mining tax credit from the Government of Quebec of \$0.3 million.

Financing activities

For the period ended March 31, 2015, cash provided by financing activities was nil versus \$0.4 million in 2014. The decrease is primarily due to the fact that the Company didn't raise any funds during the first quarter.

FINANCING

Working capital

The negative working capital stands at \$11,333,383 as at March 31, 2015 compared to a negative working capital of \$9,442,302 as at December 31, 2014. The decrease was primarily due to the lower level of cash available and the interest payable as at December 2015 which has been capitalized to the credit line.

Management estimates that the cash available at the end of March 2015 will not be sufficient to meet the Company's obligations and budgeted expenditures through December 31, 2015. These circumstances lend some doubt as to the ability of the Company to meet its obligations as they come due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern. The Company will need to secure financing in 2015.

Any funding shortfall may be met in the future in a number of ways including but not limited to, the issuance of new equity, debt financing or deferral of its debt. While management has been successful in securing financing in the past, there can be no assurance that it will be able to do so in the future or that these sources of funding or initiatives will be available to the Company or that they will be available on terms which are acceptable to the Company. If management is unable to obtain new funding, the Company may be unable to continue its operations, and amounts realized for assets might be less than amounts reflected in the financial statements.

SUMMARY OF QUARTERLY RESULTS

	June 30, 2013	September 30, 2013	December 31, 2013	March 31, 2014	June 30, 2014	September 30, 2014	December 31, 2014	March 31, 2015
	\$	\$	\$	\$	\$	\$	\$	\$
Net loss	(1,508,001)	(1,675,090)	(1,055,045)	(1,405,964)	(1,636,936)	(1,260,208)	(1,359,032)	(891,200)
Basic and diluted loss per share	(0.02)	(0.02)	(0.01)	(0.02)	(0.02)	(0.01)	(0.01)	(0.01)

For each quarter in financial year 2013, 2014 and 2015, the information contained in the summary of quarterly results is presented in accordance with IFRS. Amounts in this table are presented in Canadian dollars which is also the functional currency.

For the quarters ended June 30, 2013 and September 30, 2013 the net loss was higher due to the administration fees surrounding the FS release in October 2013. For the last quarter of 2013, the net loss decreased to \$1,055,045 due to the lower activity from the FS and also the impairment of the properties and of the exploration and evaluation assets recorded in the last quarter of 2013 amounting \$240,920. For the first two quarters of 2014, the net loss increased compared to December 2013. This is due to the exploration campaign and the hiring of new employees. For the second half of the year 2014, the net loss has decreased due to reduced activities from less use of external consultants. For the first quarter of 2015, the level of activity was lower compared to the precedent quarters due to the focus of the Company to obtain the permitting from the public consultation process of the BAPE

RELATED PARTY TRANSACTIONS

The following operations occurred during the three-month period ended March 31, 2015 and 2014:

	2014	2013
	\$	\$
Key management compensation (2)		
Share-based compensation	-	93,351
Management fees	<u>22,925</u>	<u>77,500</u>
	22,925	170,851
Salaries and fringe benefits (3)	<u>194,515</u>	<u>236,918</u>
	<u>217,440</u>	<u>407,769</u>
Balance included in accounts payable and accrued liabilities	-	-

(1) The key management is composed of the Chief Operating Officer (COO), Chief Financial Officer (CFO), the president, and the vice-president exploration and First Nations relations. The key management compensation includes amounts for the former CEO, CFO and vice-president who left respectively in December, August and February 2014.

(2) Salaries and fringe benefits capitalized to exploration and evaluation assets amount to \$33,729 (\$51,122 in 2014).

The Company has entered into employment and management contracts with its key executives whose estimated annual remuneration amounts to \$640,000. These contracts are renewable annually. The agreements with the Company's key executives contain provisions that apply in case of termination without cause or a change of control. If all executive team members had been dismissed without cause on March 31, 2015, the Company would have had to pay a total amount of \$457,500 as severance. If a change of control had occurred on March 31, 2015, the total amounts payable to the executive team in respect of severance would have totaled \$1,022,500 (assuming they left after a change of control and each named executive opted to receive such compensation). For one key executive, if both a termination of the employment agreement and a change of control of the Company occur within 6 months of each other, the Company would have to pay a one-time severance equal to \$75,000.

OFF BALANCE SHEET ARRANGEMENTS

As of the date of this MD&A, the Company does not have any off balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

OBLIGATIONS AND COMMITMENTS

- a) The Company has granted the lender of the August 2012 credit line a royalty of \$1 per ton of phosphate concentrate sales from the Lac à Paul project. This royalty may be redeemed at any time through a lump-sum payment of \$6 million. In July 2013, the Company has also granted the lender of the second credit line a royalty of \$0.25 per ton of phosphate concentrate sales from the Lac à Paul project. This royalty may be redeemed at any time through a lump-sum payment of \$1.5 million. This royalty will have to be redeemed by the Company for the same amount in the event of a change of control where at least 90% of the issued and outstanding shares of the Company are acquired, purchased or held by a third party, either through a tender offer or other transaction with the same result.
- b) The Company granted contracts in relation to the development of the Lac à Paul project for a total of \$484,730. These contracts do not have termination dates and disbursements will be made in accordance with the project's milestones.
- c) The Company's future minimum operating lease payments for the rent in Chicoutimi, trucks rental and Lac à Paul camp are as follows:

	Within 1 year	1 to 5 years	After 5 years	Total
March 31, 2015	\$71,454	\$205,771	-	\$277,225

The following are the contractual maturities of financial liabilities, including interest where applicable as at March 31, 2015:

	Carrying amount	Contractual cash flows	0 to 12 months	12 to 24 months	More than 24 months
	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities	1,282,092	1,282,092	1,282,092	-	-
Credit line	13,043,357	14,356,620	14,356,620	-	-

APPLICATION OF NEW AND REVISED IFRS AND CRITICAL ACCOUNTING ESTIMATES

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. There is a full disclosure and description of the Company's critical accounting policies and accounting estimates in note 4 of the audited financial statements for the year ended December 31, 2014. In addition, there is a summary of significant accounting policies in note 2 of the financial statements for the year ended December 31, 2014.

FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

The Company's financial instruments, financial risk and capital management are presented and described in the unaudited condensed interim consolidated financial statements for the period ended March 31, 2015.

INFORMATION ON SHARES OUTSTANDING

As at May 28, 2015, 95,325,755 common shares are issued and outstanding. There are 6,019,167 shares purchase options, 9,617,500 warrants and 792,659 options granted to brokers outstanding.

(s) Jean-Sébastien David
Jean-Sébastien David
Chief Operating Officer

(s) Dino Fuoco
Dino Fuoco
Chief Financial Officer

Board of Directors and Officers

Pierre Fitzgibbon, Executive Chairman of the Board of Directors

Dominique Bouchard, Vice-Chairman of the Board of Directors

Jim Cowley, Director

Steven L. Pinney, Director

Dave DeBiasio, Director

Siva J. Pillay, Director

Marco Gagnon, Director

Brian Ostroff, Director

Jean-Sébastien David, Chief Operating Officer

Dino Fuoco, Chief Financial Officer

Daniel Boulianne, Vice President Exploration

Ticker symbols

DAN: TSX-V (Canada)

JE9N: FSE (Germany)

DRRSF: OTCQX (USA)

Head Office

393 Racine St. East, Suite 200

Chicoutimi, Québec G7H 1T2

Tel.: 418-549-7316

Fax: 418-549-5750

Email: info@arianne-inc.com