FORM 51-102F1
SAINT JEAN CARBON INC.
MANAGEMENT DISCUSSION & ANALYSIS

For the quarter ended April 30, 2017

This Management Discussion and Analysis ("MD&A) was prepared June 28, 2017.

This MD&A of the results of operations and the financial condition of Saint Jean Carbon Inc. ("St. Jean" or the "Company") supplements but does not form part of the unaudited financial statements and accompanying notes of the Company for the six month period ended April 30, 2017. Consequently, the following discussion and analysis of the financial condition and results of operations of Saint Jean Carbon Inc. should be read in conjunction with the unaudited condensed financial statements for the six-month period ended April 30, 2017 and the audited financial statements for the year ended October 31, 2016.

This MD&A contains certain forward-looking information. All information, other than historical facts included herein, including without limitation data regarding potential mineralization, exploration results and future plans and objectives of St. Jean is forward-looking information that involves various risks and uncertainties. There can be no assurance that such information will prove to be accurate and actual results and future events could differ materially from those anticipated in the forward-looking information made as of the date of this MD&A.

With respect to timely disclosure by St. Jean of data and information in general, and especially in the MD&A, materiality and material information is considered by the Company as something that would be likely to affect the Company's share price or influence an investor's decision whether or not to buy, sell, or hold shares once it becomes known to the public.

Additional information can be found on St. Jean on the SEDAR website (www.sedar.com) and on the Company's website (www.saintjeancarbon.com).

DESCRIPTION OF BUSINESS

St. Jean is a junior resource company involved in the acquisition and exploration of property interests that are considered potential sites of economic mineralization and the potential use of such mineralization in the production of graphite and graphene.

During the last two years, the Company has engaged in the design and build of green energy storage such as lithium-ion batteries. With green energy creation, the Company is working towards building materials that will allow the super-efficient transfer of the sun's energy through graphene such as the photocell. Several patents have been filed and the Company has partnered with universities and businesses to convert raw materials into technologically advanced materials. Continual work is being done on these processes to develop value in the technology area.

The Company holds multiple Quebec graphite properties and a large lithium claim in Quebec. The Company also continues to hold historic molybdenum properties in British Columbia and gold properties in Manitoba.

Since 2013, the Company has concentrated on the acquisition of lump graphite properties in the province of Quebec and is in the process of evaluating and developing these graphite properties. St. Jean has NI 43-101 reports on two of the properties and there is a historic NI 43-101 on another. It has not yet determined whether they contain reserves that are economically recoverable. Work continues to be performed on the properties with the completion of its Electromagnetic surveys on the Walker and Bell properties, the completion of phase one of the work program and the commencement of a Preliminary Economic Assessment ("PEA"). As well there was the announcement of a significant work program to be conducted in the 2017 calendar year.

St. Jean is a reporting issuer in Alberta and British Columbia and is a listed Tier 2 issuer on the TSX Venture Exchange, trading under the symbol "SJL" (formerly TCR). The Company has also registered to trade in the United States on the OTC-QB market under the symbol TORVF. The Company is a Venture issuer and is not required to file an Annual Information Form.

GENERAL DEVELOPMENT OF THE BUSINESS

Saint Jean Carbon Inc. (formerly Torch River Resources Inc. and previous to that Torch River Mines Ltd.) was incorporated on June 18, 1997, by Certificate of Incorporation issued pursuant to the provisions of the *Companies Act* (Alberta) and extra-provincially registered to carry on business in the provinces of Saskatchewan, Manitoba, British Columbia and Quebec. On March 26, 2004, the Company was officially formed from the amalgamation of Tael Capital Inc. and Torch River Mines Ltd. under the *Business Corporations Act* (Alberta) under the name Torch River Resources Ltd. The amalgamation was the Company's Qualifying Transaction for listing on the TSX Venture Exchange.

On July 8, 2005, the Company signed an option agreement with Red Bird Resources Ltd. (the "Red Bird Option Agreement") on a molybdenum mineral claim located in the central coastal region of British Columbia. The Company retains a 25% undivided interest in the property which was earned as at May 31, 2008.

On February 12, 2008, the Company signed an option agreement on (the "Mount Copeland Option Agreement") a past producing molybdenum property located near

Revelstoke, British Columbia (the "Mount Copeland property"). The Company through an amending agreement has acquired 100% of the property (subject only to a 2.75% Net Smelter Agreement).

In 2013, the Company moved into the graphite space by acquiring the Walker graphite property. The property is located, in Quebec, 40 kilometers northeast of Ottawa. This is a past lump graphite producing property. Additional tenures were added in the area surrounding this property during the 2016 fiscal year.

On October 30, 2013, the name of the Company was changed from Torch River Resources Ltd. to Saint Jean Carbon Inc.

On February 2, 2015, the Company announced that it had completed the acquisition of the Clot Property.

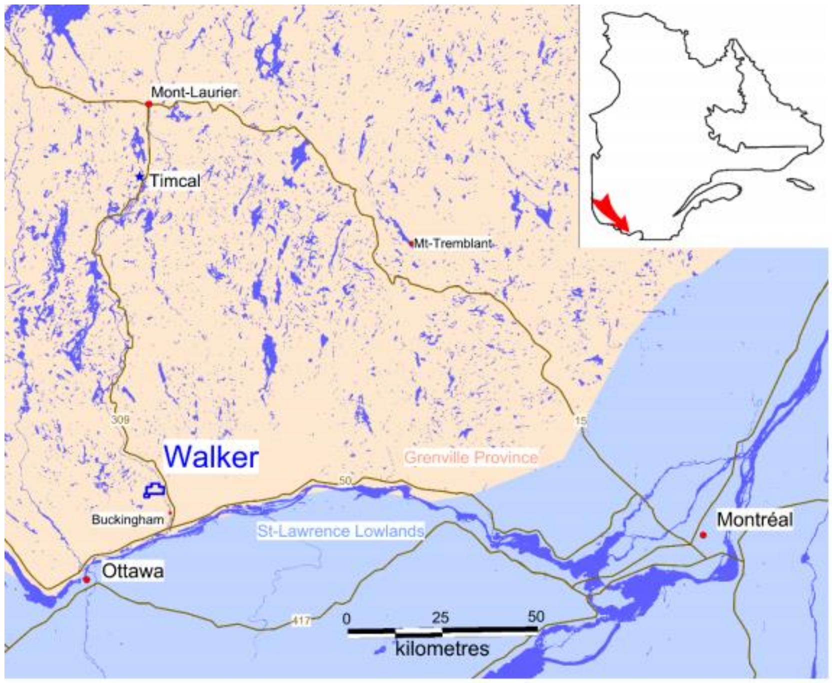
On October 1, 2015, the Company announced that it had received a Research Grant from the Natural Sciences and Engineering Research Counsel of Canada ("NSERC") to cover work conducted at the University of Waterloo Carbon Nanotechnologies Laboratory. On November 24, 2015, the Company received a further grant from NSERC. The grant was used for the specialized graphene development work carried out at the University of Western Ontario ("Western"). Further, in 2016, the Company received an additional grant with Western for the development of graphene-based systems with special magnetic properties. In collaboration with Western, the Company created glowing carbon dots which glow in an entire array of colours, this gives the ability to create light and colour with less energy consumption.

On June 8, 2016, the Company announced that it had acquired the Bell Hydrothermal lump/vein graphite mine. The Bell property comprises 13 claims (CDC) for a total area of 782.47 ha. It is located on Buckingham and Lochaber Townships in southwestern Québec.

On August 10, 2016, the Company announced that they had acquired their first of two Lithium properties, the Whabouchi Lithium Project located in the James Bay region of Quebec as well as an additional 34 graphite mining claims located in southwestern Quebec in the Buckingham district. On October 28, 2016, the Company announced that it had closed the transaction for an additional 27 lithium claims in south Whabouchi. These claims are contiguous with the claims acquired in August 2016 located in the James Bay region of Quebec.

SUMMARY OF PROPERTIES

Walker



The Walker property is located 8 kilometers northwest of Buckingham, in Buckingham Township. The property comprises of 22 claims with a total area of 1,322 hectares.

The Walker property includes the Walker mine, a past graphite producer with about 816 tons of flaky and lump graphite extracted from the mine between 1876 and 1906. Main roads are located 2 kilometers away from the Walker Mine. A secondary or private road runs up to the property site which allows for easy access. The property is located in the Central Metasedimentary Belt of the Grenville geological Province, which comprises north-northeast trending marble and quartzite domains that also include quartzo-feldspathic gneisses and tonalitic intrusions. In the area surrounding Walker Property, regional metamorphism is upper amphibolite grade and reaches the granulite facies, locally.

The Walker property was first worked by the Buckingham Mining and Dominion of Canada Plumbago Co. In 1876, Dominion of Canada Plumbago Co. erected a mill on lot 19 which was connected with the mine by 335 m of tramway. Graphite of the disseminated form was abundant on all the lots 19, 20 and 21 of the VIII range while the vein (or lump) graphite form was predominant on lot 21 of the VII and VIII ranges (Obalski 1889, Spence 1920).

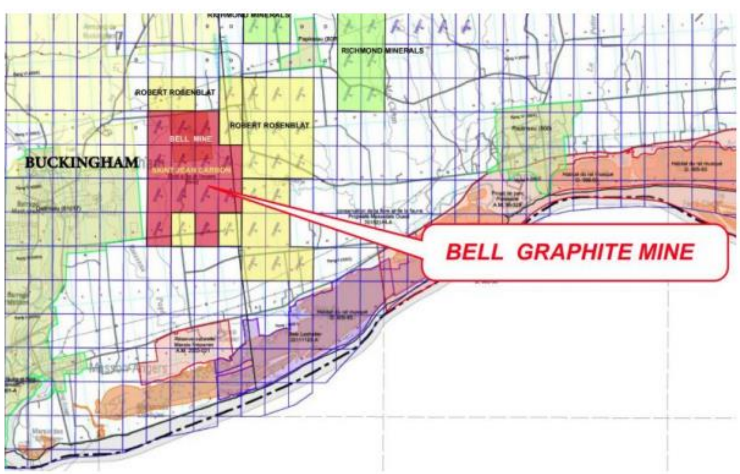
In 1879, Mr. W. H. Walker of Ottawa purchased the mines from Dominion of Canada Plumbago Co. In 1889, about 100 t. of lump graphite were recorded to have been mined from 15 distinct veins. After some intermittent work between 1890 and 1896, operations ceased until 1906, when the Buckingham Graphite Co. partially remodeled the mill, installing a dry process of concentration, and mined some ore. This represents the last work on the property (Spence 1920).

Graphite from the disseminated forms was mined from several beds of 1 to 7.5 m in thickness, on a hill 30 to 60 m high, at the foot of which an opening was made followed by a drift running for 21 m into the ore. The carbon content was reported to average 15% and could reach 25% (Spence 1920). The mineralized horizon strikes northeast and dips 60°. The veins or pods are irregular, massive to semi massive and could reach up to four inches (0.1 m) in thickness and could be followed over length from 3 to 15.8 metres (Denis et al. 1913). Most of them adopt a NE trend and occur near the contact between crystalline marble and paragneiss. There are more than 30 pits reported in an area comprised within lots 19 to 21 in ranges VII, VII and IX of the Buckingham Township (Maurice, 1984). It has to be noted that these pits may not be entirely inside Walker's property.

On October 15, 2013, the Company announced results of two test programs on its lump graphite, those being the combination of higher reagent concentration and longer retention times in the fifth test which provided the 99.1% C best result (see news release for details). The test work was carried out at Process Research Ortech in Mississauga, Ontario and lab analysis was done at Activation Laboratories in Ancaster, Ontario.

Also in October 2013, a beep mat survey was undertaken in the west portion of the property, on a grid over old pits from which vein type graphite was extracted. The survey returned 20 conductive anomalies forming two distinct clusters. Small graphite veins were exposed below strongest beep mat anomalies at depths ranging from 0.3 to 0.6 m. During the summer of 2016, helicopter-borne magnetic and TDEM surveys were received from Prospectair Geoservice as they flew over the Walker property.

<u>Bell Graphite</u>



The Bell property was acquired in June of 2016 and comprises of 13 claims (CDC) for a total area of 782.5 ha. It is located on Buckingham and Lochaber Townships in southwestern Québec, about 135 km west of Montréal, Quebec and 30 km northeast of Ottawa, Ontario, located on Buckingham and Lochaber townships in southwestern Quebec. An 43-101 report was published on this property in 2015. Helicopter-borne magnetic and TDEM surveys were also received from Prospectair Geoservice, as part of our work program when they flew over the Bell property in the summer of 2016. All previous drill holes (1951-1952) have been digitalized and drill sites have been checked in the field. In 2017, a ground Phispy geophysical survey over the northern and central part of the property has been carried out. Several geophysical anomalies have been picked-up over good lengths. Some of them correspond to the old mining operations.

Historically, the Bell Mine produced about 6,700 tons of graphite between 1906 and 1912 while the New Québec Mine produced 2,500 tons of graphite from 1912 to 1920. Exploration drilling was performed in the early fifties which define the downward extension of Bell Mine graphite deposit.

The property is found in the Central Metasedimentary Belt (CMB) of the Grenville geological Province, with regional metamorphism reaching upper amphibolite grade and granulite facies locally. The Buckingham Property is mostly underlain by different types of paragneisses intermixed with large bands and lenses of marbles and quartzites with SW-NE to NS orientation.

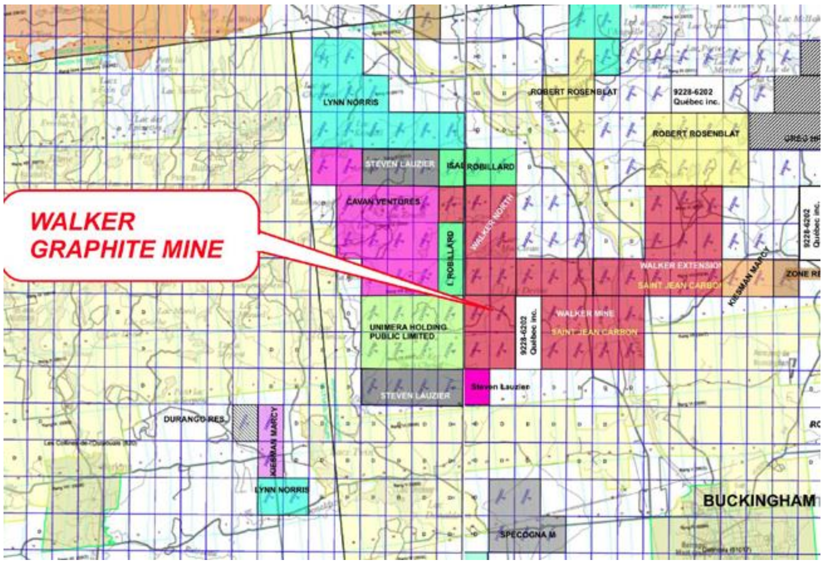
Known graphite mineralization consist of multiple narrow bands trending NNE (020°). At the Bell Mine site, these bands occur in paragneiss and biotite gneisses in association with disseminated pyrite. They were found within a working thickness from 1 to 5 m and have been followed over a strike length of 660 m and its extension at depth has been demonstrate by drilling in 1950. At the New Quebec smaller mine pits, the graphite is associated with a grey calcite-biotite gneiss, devoid of sulfides. One of the pits follow a one meter thick highly schistosed zone enriched with flaky graphite over a 10 m strike length and is well exposed at its northern end.

Graphite enrichment within highly schistose bands may imply migration and recrystallization as large flakes in shear zones which may have enhanced both continuity and quality of the mineralization. EM geophysics is well suited to better define such mineralization.

Exploration included two phases of works during the summer of 2013 and the spring of 2015. Remnants of graphite rich bands (47 samples) from historical mine pits were submitted to ALS Chemex Laboratory in Val-d'Or which returned concentration from traces to 22% organic carbon.

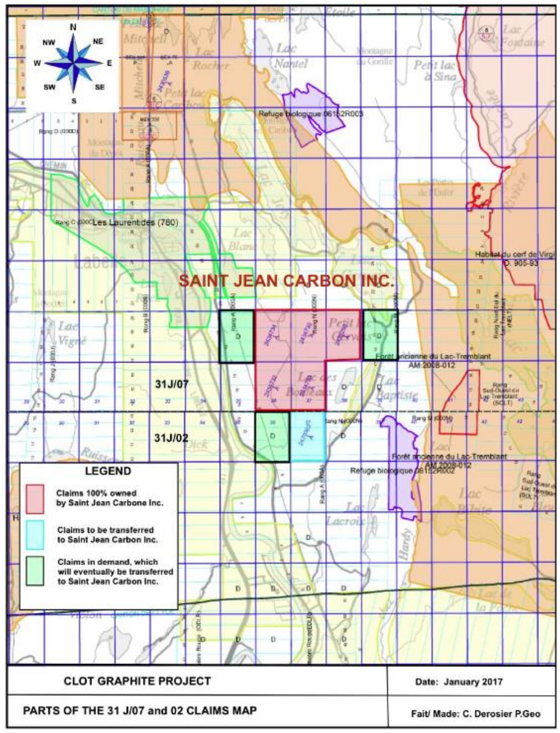
The historical drilling by Frobisher Ltd in early fifties defines the extension at depth of the Bell Mine Graphite Deposit and results in a pre NI 43-101 estimation of 185 100 tons at 9.4 % graphite which constitute an exploration targets by today's standard. Although this graphite occurrence shows the high potential of the property it may not be the best targets on the property because of the presence of pyrite and its higher depth. Instead, the lateral extension of the graphite rich schistose zone should be investigated by geophysics and trenching, which may reveal shallow occurrence of high quality graphite.

Buckingham / Kendall



The Buckingham / Kendall property now also known as the Walker Extension, was acquired in August of 2016 and comprises of 22 claims (CDC) for a total area of 1,322 ha. It is located on Buckingham and Lochaber Townships in southwestern Québec, about 135 km west of Montréal, Quebec and 30 km northeast of Ottawa, Ontario, located on Buckingham and Lochaber townships in southwestern Quebec.

The historical Ruisseau McGuire graphite mine is located on this property . Also, Gorman Feldspar mine (GM 35603, GM 45932) and Whitfield mine (GM35603). The Gorman Feldspar mine, discovered in 1922 produced about 45 tonnes.



Clot

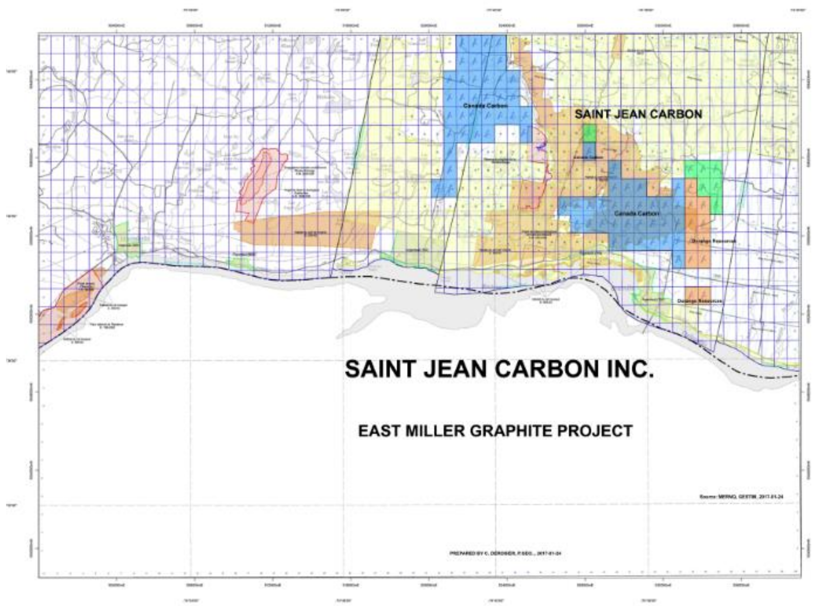
The Clot property is located 3 kilometers South of Labelle village in the Laurentian region, about 150 kilometers northwest of Montréal and is depicted in NTS map 31J07 (Joly Township). The property consists of 5 claims for a total of 297.35 hectares. The property is readily accessed from public roads connecting to Labelle village. The east portion of the property is on public land whereas the westernmost claims are on private land. The property is found in the Morin Terrane of the Grenville geological Province, near the Labelle Deformation Zone which separates the Morin Terrane to the East with the Central Metasedimentary Belt to the West.

The Morin Terrane incudes the Morin Anorthosite Complex and related granitic intrusions with granulite –facies mineral assemblages. These intrusive rocks consist of monzonite, or hypersthene-bearing monzonite (mangerite) and some granites. Anorthosite-suite rocks are deformed both in shear zones and in the interior of the terrane and show intrusive contact relations with marbles which were observed near the St. Jovite village.

The Clot Property is underlain with highly metamorphosed rocks (granulites and sillimanite- garnet- biotite paragneisses), in a highly deformed area (Labelle Deformation zone). These rocks are in contact with calc-silicate rocks in the northeast portion of the property. Clot Mine, located some 150 m away from the property, is hosted in the same lithology. This graphite deposit was discovered in 1907 and worked intermittently until 1919. Prospecting activity and staking took place in 30's and '40's. Quebec Graphite Corp. acquired the property in 1953. Graphite mineralization consisted of lump graphite in veins and disseminations, in a zone measuring 200 ft.

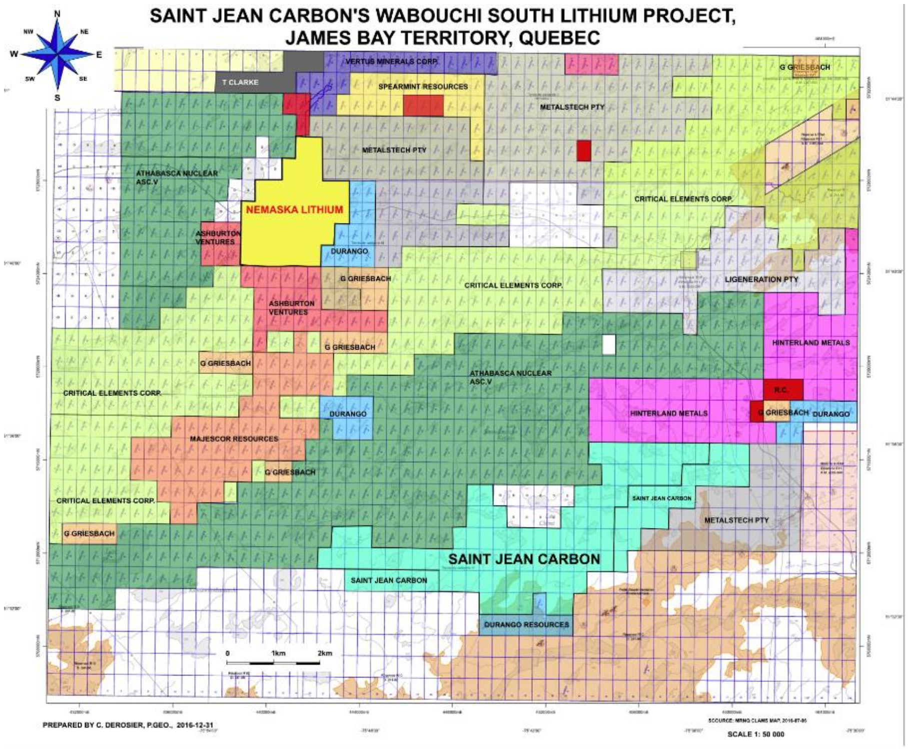
in length and 10 - 15 ft. in width. Spence (GM15290) visited the mineralized occurrence in 1942 and reported that graphitic veinlets (1 to 2 inches thick) that were described as being formed around small brecciated, angular fragments and blocks of marbles, forming a band striking more or less north-south and dipping at 65° W.

On June 1, 2015, the Company published an NI 43-101 technical report on the Clot property.



Miller East

The Miller East property consists of seven mineral claims covering approximately 420.56 hectares and is located east of the Miller hydrothermal lump-vein historical graphite mine. It is located 80 km west of Montreal, in the Grenville Township. The Miller mine is a past graphite and mica producer which was worked around 1845.



South Whabouchi

The South Whabouchi lithium property is located in the James Bay region of Quebec, approximately 450 kilometers southeast of the community of Nemaska and 250 km north-northwest of the town of Chibougamau. The property is accessible by helicopter. The total property with the initial 82 claims and the 27 claims obtained in October, 2016 covers 5,835.6 hectares. This property neighbours to the north are Hinterland Metal Inc. and Durango Resources to the south. The property is located approximately 15 kilometers southeast of Nemaska Lithium Inc.'s Whabouchi hard-rock lithium project.

HISTORIC PROPERTIES

Red Bird Property

The Red Bird molybdenum property consists of three mineral claims situated in the Skeena Mining Division of west central British Columbia 133 kilometers southwest of Burns Lake and 105 kilometers north of Bella Coola. The property covers an area of 444.49 hectares centered on latitude 53°17'44" North and longitude 127°00'34" West in NTS map area 93E/6.

On July 8, 2005, Red Bird Resources Ltd and the Company entered into the Red Bird Option Agreement for the Red Bird Property. The Red Bird Property represents an advanced molybdenum, copper and rhenium porphyry target. As of May 31, 2008, the Company became the legal and beneficial owner of a non-transferable 25% undivided interest in the property.

The Company is considering divesting this property now that its focus is on graphite.

High Rock Property and Climpy Property

The High Rock Property and the Climpy Property are gold prospects in northeast Manitoba located approximately 8 kilometers apart and cover approximately 1,550 hectares High Rock consists of 9 mining claims covering 1,307 hectares and the Climpy Property consists of one claim covering 243 hectares St. Jean holds a 100% interest in all claims. There was 895 feet of drilling done in 2004. Assay results range from trace to .154 oz. /t of gold. Further comprehensive development in the form of bulk sampling will be required on both the Juniper Vein as well as the Main Vein to establish the economic viability of the property. There has been no recent exploration conducted. Tenures on the Climpy property are to 2035 while High Rock was extended to 2022.

The Company is considering divesting these properties now that its focus is directed on graphite.

Mount Copeland Property

The Mount Copeland Property featured underground production (1970-73) which produced 171,052 tonnes of molybdenum ore and produced 1,193,222 Kg of molybdenum. The calculated head grade for this production was 0.732% Mo. When the Mount Copeland Property was in production in 1970 development work indicated 163,340 tonnes of ore at a grade of 1.83% MoS_2 (or 1.1 % molybdenum). The ore indicated prior to mining has been essentially extracted. The information above is included for comparison purposes only. The information is derived from the December 01, 2008 NI 43-101 Technical Report and the MINFILE Record Summary for MINFILE No. 082M 002 (Mount Copeland), B.C. Ministry of Energy, Mines and Petroleum Resources and the MINFILE Productions Detail Report, B.C. Geological Survey, B.C. Ministry of Energy, Mines and Petroleum Resources, which may be viewed at:

http://minfile.gov.bc.ca/Summary.aspx?minfilno=082M++002
http://minfile.gov.bc.ca/report.aspx?f=PDF&r=Production_Detail.rpt&minfilno=082M++002

In 2008, Mount Copeland had a 10-hole drill program of 2,878 meters were completed. A NI 43-101 Technical Report dated December 1, 2008 was completed and posted on SEDAR on March 16, 2009. This in-depth report was done to provide an evaluation of the existing data on Mount Copeland and determine the potential of the property.

On January 5, 2010, the Company announced results of 31 samples from 7 drill holes from 2008 that were assayed for Rare Earth Elements. A further release dated March 9, 2010 provided mean average values for rare earth elements from the 31 core samples and 53 soil samples. The Mount Copeland option agreement has two claims comprising a total of 730.127 hectares

The Company is considering divesting these properties now that the focus of the company is on graphite.

SELECTED QUARTERLY INFORMATION
(Eight Quarter history)

Item	*Qtr 2/17 Three Months Ended Apr 30, 2017*	*Qtr 1/17 Three Months Ended Jan 31, 2017*	*Qtr 4/16 Three Months Ended Oct 31, 2016*	*Qtr 3/16 Three Months Ended July 31, 2016*
Cash & Cash Equivalents including short term investments	1,148,871	901,300	21,499	118,644
Mineral Exploration and evaluation assets	3,781,731	3,623,994	3,390,920	2,913,505
Working Capital	786,113	378,082	(898,156)	(644,224)
Net Sales	-	-	-	-
Gain (Loss) before extraordinary items	(401,155)	(767,194)	(55,640)	(194,774)
Gain (Loss) after extraordinary items	(401,155)	(767,194)	(55,640)	(194,744)
Loss per share	.002	.005	.000	.001
Fully diluted loss per share	.002	.005	.000	.001
Total Assets	5,243,9524	4,662,710	3,474,730	3,111,735
Total Long Term Financial Liabilities	-	-	-	-

Item	*Qtr 2/16 Three Months Ended Apr 30, 2016*	*Qtr 1/16 Three Months Ended Jan 31, 2016*	*Qtr 4/15 Three Months Ended Oct 31, 2015*	*Qtr 3/15 Three Months Ended Jul 31, 2015*
Cash & Cash Equivalents including short term investments	163,577	79,986	18,751	9,814
Mineral Exploration and evaluation assets	2,675,150	2,6785,150	2,675,040	2,564,615
Working Capital	(841,855)	(937,757)	(1,158,415)	(1,482,315)
Net Sales	10,519	11,166	-	-
Gain (Loss) before extraordinary items	(257,177)	(153,451)	(155,145)	(183,212)
Gain (Loss) after extraordinary items	(257,177)	(153,451)	(155,145)	(183,212)
Loss per share	.002	.001	.002	.002
Fully diluted loss per share	.002	.001	.002	.002
Total Assets	2,928,396	2,854,765	2,779,034	2,639,813
Total Long Term Financial Liabilities	-	-	-	-

The tables are stated in Canadian dollars. These financial statements have been prepared on the basis of accounting principles applicable to a "going concern", which assumes that the company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

RESULTS OF OPERATIONS

For the quarter ended April 30, 2017

Total expenses for the quarter at $401,160 was higher than the comparable quarter of operation in 2016 of $267,713 by $133,447.

- Bank and interest charges have been reduced by $9,552 as all loans were paid prior to this reporting quarter.
- Research and development cost for the cell battery were expended during this period.
- Filing fees were higher than prior year due to the option plan and final OTCQB costs.
- The AGM was held during the quarter (February 27, 2017) and remaining costs associated with this meeting were recorded.
- The website was enhanced and the applicable costs were recorded.
- Management fees of $104,500 was favourable to prior year by $9,500.
- Professional fees were significantly higher primarily from increased legal fees which were incurred in commencing an AIF, dealing with security issues and preparing and evaluating documents. Additional accounting costs were also incurred on special projects.
- Office rent was reduced as a result of the move from Wilson Street to Equestrian Court.
- Sales and marketing were increased by $44,500 as additional resources were added to increase the company's presence in the marketplace.
- Investor relations were $33,737 higher than last year as our current investor relations company commenced in quarter 3 last year leaving only minimal comparable expense in the previous year.
- Stock compensation in the quarter was favourable by $82,500 as stock options were issued in quarter 1 of this year whereas they were done in quarter 2 in 2016.
- Travel costs were higher by $16,339 due to the leasing of a corporate vehicle.

For the six months ended April 30, 2017

Total expenses for the six month period ended April 30, 2017 were $1,168,359 compared to $432,343 for the comparable 2016 quarter an increase of $736,016. The most significant portion of the increase resulted from the issuance of stock options during the first quarter, a non cash stock option expense of $500,240 compared to $82,500 in 2016. The net result after removal of the stock option expense was an increase in expense year to date compared to last year of $318,277. The major components were:

- Reduced bank and loan expense of 18,339 due as all loans were paid during the first quarter of this year.
- Filing fees were higher by $39,650 resulting from costs to join the OTCQB US filing platform, approval of the stock option plan and other filings.

- The AGM cost was higher than the 2016 cost by $10,613 due to a timing difference between years.
- Office expenses were favourable by $11,877, primarily due to rental costs.
- Investor relation expenses above previous year of $57,337 resulting from the hire of IR services as noted above in June, 2016.
- Additional professional fees of $149,883 against the comparable period primarily from increased legal fees which were incurred in commencing an AIF, dealing with security issues and preparing and evaluating documents. Additional accounting costs were also incurred on special projects.
- Additional Sales and Marketing services of $63,500 this year to reach out and increase the company's presence in the marketplace.
- Vehicle expense was higher by $18,589 due to leasing a corporate vehicle.

BASIS OF PRESENTATION AND GOING CONCERN

The condensed annual unaudited financial statements have been prepared in accordance with International Accounting Standards ("IAS") issued by the International Accounting Standards Board. Accordingly, these statements should be read in conjunction with our audited annual financial statements, which were prepared in accordance with IFRS as issued by IASB.

LIQUIDITY AND CAPITAL RESOURCES

At the end of this reporting quarter, St. Jean had a positive working capital of $786,113 compared to the working capital deficiency on April 30, 2016 of $841,855. Cash and cash equivalents were $1,148,871 compared to $163,577 last year. As well as the reduction to accounts payable and notes payable, the following funding was received.

- On November 21, 2016, the Company announced the first close on a private placement which consisted of 4,980,000 flow through shares at a price of $0.05 grossing $249,000.
- The additional final close of the private placement consisted of an additional 21,492,700 flow through shares at a price of $0.05 grossing $1,074,635.
- On December 12, 2016 an additional 12,890,000, units were purchased at a price of $0.05 per unit grossing $$644,500. Each unit consists of one Common Share and on Common Share purchase warrant at an exercise price of $0.055 per Common Share for a period of 48 months.
- 20,071,000 Warrants totaling $1,144,300, were redeemed year to date with 14,075,000 warrants in the amount of $844,500 redeemed in this reporting quarter.
- 3,388,270 Finders options totaling $169,414 were exercised in this reporting quarter.

Saint Jean Carbon currently does not have credit facilities with financial institutions and does not anticipate that it will generate significant revenue from its activities during the next few months; therefore, it will rely on its ability to obtain equity financing for operations.

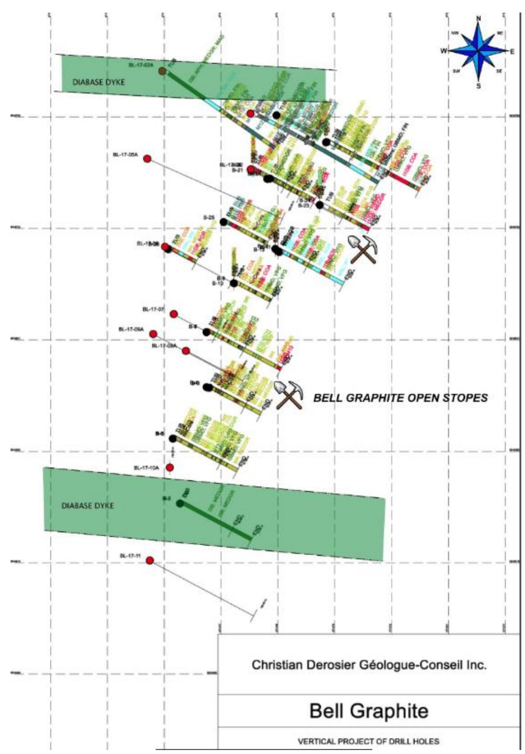
Management anticipates that it will be able to raise sufficient capital to further explore and develop its properties and carry out its projects in the future. The Company, however, cannot provide any assurance that equity financing will be available on terms and conditions acceptable to the Company.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

CURRENT BUSINESS ACTIVITY

One of the major focuses during this last six months and particularly during the last three months was the Walker, Bell and Buckingham/Kendall properties which were flown over by helicopter in 2016 to perform a magnetic survey of the area. Work done during this reporting period was specific to the Bell property which included planning, line work and an extensive drilling program. Most of the drill program was conducted during the last three months. Work continues and the completion of the drilling, assays and other reports will be completed this summer. Planning has commenced on extending the drilling program to other graphite properties.



The Company has, outside of the drill program, had extensive analysis conducted by laboratories on graphite material and work continues on a PEA as the company continues to strategize on moving the properties to the next level.

The company moved its Oakville offices in November 2016 from 86 Wilson Street to Unit 9, 871 Equestrian Court.

On February 2, 2017, the Company announced that as at that date, Saint Jean commenced trading on the OTCQB (the USA Venture Market) board under the symbol TORVF.

On February 23, 2017, the Company announced that it has set the preliminary numbers for the graphene battery project announced on January 18th, 2017.

An Annual General meeting for the Company was held on February 27, 2017.

On February 28, 2017, and subsequently clarified on March 3rd and 20th, 2017, the Company announced that it received an order for 5 kg of graphite for testing by a major battery manufacturer.

On March 8, 2017, the Company announced that the St. Jean co-authored with Western (Jin Zhan, Ph.D., Associate Professor Department of Chemical and Biochemical Engineering) published a paper titled, "Deposition of YBCO Nanoparticles on Graphene Using Matrix-assisted Pulsed Laser Evaporation" that has been accepted for presentation and publication in the proceedings of International Conference on Nanotechnology: Fundamentals and Applications (ICNFA'17).

On April 20, 2017 St. Jean announced the results of the graphene battery project phase one of three, previously announced on January 19, 2017. Although very preliminary at this point, the graphene battery outperformed the graphite battery.

The Company has devoted resources and effort in the design and build of green energy storage such as lithium-ion batteries, using Quebec graphite that could be used in electric cars, mass energy storage for home applications and for small batteries and for small batteries for a typical TV remote control we strive to create the best carbon for the anode in such devises. With green energy creation, we are working toward building materials that will allow super-efficient transfer of the sun's energy through graphene as the photocell. Green re-creation is the final step in development of materials that can be reused to recreate the original purpose of the materials. All of this is challenging but we feel we put the company at the forefront of the green technology boom and with that create strong shareholder return on investment. Through its working arrangements with universities, research and efforts, the Company has continued to expand its intellectual property.

Work with the team from Western University continues on the Glowing carbon dots which were reported on December 20, 2016.

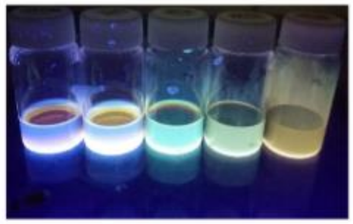


Figure 1: glowing carbon dots

During this reporting quarter, the company continued to work with our university partners on number of projects that are in process. It is also continuing to work to establish a market for product. Some examples of projects that will potentially use graphite during the year included the announcement that the Company was planning to complete a prototype of its recently developed design for a diamagnetic wire that will conduct energy at room temperature with superconducting level resistance.

The direction and goal of the Company is to be a leading-edge company and to align with clean energy creation and energy storage companies around the world. The Company also continues to develop our Quebec graphite properties for product supply.

We continue to pursue sales and other revenue streams through joint ventures, acquisitions and material trade. We are working with universities in both Canada and the United States with an eye on licensing and developing our own intellectual property. We feel that putting significant efforts to graphene production / development will put the company in a good position to grow and take advantage of what we feel is the next big development in the carbon business. We see the company working as a partner with companies that want to have advanced materials as a part of their product, but we do not see ourselves as the manufacturer of the application, rather the supplier of the high-grade material to a specific specification.

RISK AND UNCERTAINTIES

Exploration and mining companies face many and varied kinds of risks. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible.

One of the principal activities of the Company is mineral exploration which is inherently risky. Exploration is also capital intensive and the Company currently has no significant source of income. However, the Company has placed increasing emphasis and resources on green energy storage and this will mitigate some of the risk. Only the skills of its management in the mineral exploration and exploration financing serve to mitigate these risks and therefore are one of the main assets of the Company.

SHARES ISSUED AND OUTSTANDING

ISSUED SHARE CAPITAL:

Statement of Changes in Shareholders' Equity

Common Shares	2017 Number of shares	Share Capital	2016 Number of shares	Share Capital
Beginning balance	152,198,160	$15,921,411	113,073,160	$14,382,294
Private Placement	39,362,700	1,968,135	15,750,000	787,500
Share issuance costs	-	(251,106)	-	(88,010)
Warrant Redemption	20,071,000	1,144,300	800,000	40,000
Subscription in Advance		-		3,750
Finders Options Redemption	3,388,270	169,414		
Flow through premium	-	(265,000)	-	(100,000)
Balance as at April 30	215,020,130	$18,687,154	129,623.160	$15,025,534

OPTIONS

	Number of options	Weighted Average Exercise Price
Balance, October 31, 2016	9,015,689	$0.06
Granted	9,785,000	0.05
Expired	(985,000)	0.05
Exercised	-	-
Balance April 30, 2017	**17,815,689**	**$0.05**

Options Granted

A summary of options granted as at April 30, 2017 is as follows:

Number of Shares Under Option	Exercise Price	Expiry Date
1,200,000	$0.05	December 12, 2019
6,380,689	$0.05	June 16, 2020
1,650,000	$0.05	April 5, 2021
4,985,000	$0.05	November 8, 2021
3,600,000	$0.05	January 13, 2022
17,815,689		

FINDER'S OPTIONS

On April 26, 2016, 360,000 Finder's options were granted at a price of $0.05 per Unit for a period of three years. Each Unit comprises of one common share and one warrant priced at $0.06. All of these Finder's options have been redeemed in this quarter.

On May 4, 2016, 720,000 Finder's options were granted at a price of $0.05 per Unit for a period of three years. Each Unit comprises of one common share and one warrant priced at $0.06. All of these Finder's options have been redeemed in this quarter.

On November 24, 2016, 498,000 Finder's Options were granted at a price of $0.05 per share, for a period of three years. 249,000 remain outstanding as at April 30, 2017.

On December 12, 2016, 1,949,270 Finder's Options were granted at a price of $0.05 per share, for a period of three years. 640,000 remain outstanding as at April 30, 2017.

WARRANTS:

A summary of outstanding warrants as at April 30, 2017 is as follows:

	Number of Warrants	**Weighted Average Exercise Price**
Balance, October 31, 2015	7,116,000	$0.050
Granted	20,825,000	$0.060
Expired	(120,000)	$0.100
Exercised	(800,000)	$0.050
Balance, October 31, 2016	27,021,000	$0.058
Granted	13,970,000	$0.055
Expired	(200,000)	$0.050
Exercised	(20,071,000)	$0.050
Balance April 30, 2017	**20,720,000**	**$0.057**

A summary of warrants granted as at April 30, 2017 is as follows:

Number of Warrants	Exercise Price	Expiry Date
5,000,000	$0.060	December 21, 2018
2,290,000	$0.060	April 26, 2019
540,000	$0.060	May 04, 2019
12,890,000	$0.055	December 12, 2020
20,720,000		

RELATED PARTY TRANSACTIONS

During the reporting quarter, the Company incurred charges from directors and officers. The total related party transactions for the six month period is summarized as follows:

	Six month period ended April 30,	
Key Management Compensation	**2017**	**2016**
Retainers, wages and benefits	$340,817	$198,000
Share based payments	-	-
Expense reimbursement	13,869	2,674
Total	**$354,686**	**$200,674**

	Six month period ended April 30,	
Services & reimbursement of expenses	**2017**	**2016**
Company controlled by the CEO	$ 247,646	$ 120,000
Company controlled by the CFO	74,000	60,000
Share based payments	-	-
Salaries and benefits (President)	19,171	18,000
Reimbursement of expenses	13,869	2,674

These transactions occurred during the normal course of operations.

RELATED PARTY LOANS

There are no related party loans.

SUBSEQUENT EVENTS

- On May 17, 2017, the Company announced that it had placed an aggregate of 6,550,000 units ("common Units") at a price of $0.05 per Common Unit for gross proceeds of $327,500 ("the Common Unit Offering"). Each Common Unit consisted of one (1) common share in the capital of the Company and one (1) common share purchase warrant (each a "Warrant"). Each Warrant entitles the holder to acquire one (1) additional common share in the capital of the Company at a price of $0.055 for a period of 48 months from the date of issuance.
- On May 30, 2017, the Company closed the Offering by placing 4,500,000 units ("common Units") at a price of $0.05 per common Unit for gross proceeds of $225,000 (the "Common Unit Offering"). Each Common Unit consisted of one (1) common share in the capital of the Company and one (1) common share

purchase warrant (each a "Warrant"). Each Warrant entitles the holder to acquire one (1) additional common share in the capital of the Company at a price of $0.055 for a period of 48 months from the date of issuance.

- In addition, on May 30, 2017, the Company placed 2,300,000 common shares in the capital of the Company issued on a "flow-through" basis at a price of $0.05 per Flow Through Share for gross proceeds to the Company of $115,000.
- On June 14, 2017. The Company announced that it had completed a full cell graphene battery. The Company is working on creating high performance graphene batteries through a series of research projects.

APPROVAL

The Audit Committee of the Board of Directors appointed by the Board and consisting of three directors, two being independent has reviewed this document pursuant to its mandate and charter. The Board of Directors of Saint Jean Carbon Inc. has approved the disclosure contained in the MD&A.

This MD&A is available on the Company's SEDAR site accessed through www.sedar.com

FORWARD LOOKING STATEMENTS

The MD&A contains certain forward-looking statements, except for historical information. These statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, levels of activity, performance, and/or achievements expressed or implied by these forward-looking statements to vary.

Actual results could differ materially from those currently anticipated due to any number of factors, including such variables as new information regarding potential mineral reserves, changes in demand for and commodity prices of graphite, molybdenum or any other commodity, legislative, environmental and other regulatory approval or political changes.

OTHER REQUIREMENTS

Additional information relating to the Company is available on SEDAR at www.sedar.com and on the Company's website www.saintjeancarbon.com.