Enviroleach

INTERIM QUARTERLY HIGHLIGHTS

March 31, 2017

Enviroleach Technologies Inc.

Quarterly Highlights

Three months ending March 31, 2017

Introduction

This Interim Quarterly Highlights has been prepared to provide material updates and analysis of the business operations, financial condition, financial performance, cash flows, liquidity, and capital resources of Enviroleach Technologies Inc. ("Enviroleach" or the "Company").

The information provided herein should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements and the notes thereto for the three months ended March 31, 2016 and the Annual MD&A for the year ended December 31, 2016.

The statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

Enviroleach technologies is listed on the Canadian Securities Exchange under the symbol "ETI" and began trading on March 30, 2017. The company has developed a unique, cyanide free, cost-effective and environmentally friendly alternative to the toxic methods currently used in the hydrometallurgical extraction of precious metals for the mining and Electronic Waste (E-Waste) sectors. For the purposes of this report Iberian is classified as a "venture issuer" for the purposes of National Instrument 51-102.

Except as otherwise disclosed, all dollar figures in this report are stated in Canadian dollars. The effective date of this report is May 29, 2017.

Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements. See "Forward-Looking Information and Statements" herein.

Additional information related to the Company is available for view on SEDAR at www.sedar.com.

Corporate Overview

Using the proprietary formula and process, Enviroleach extracts precious metals from the host material in a safe, environmentally friendly and sustainable fashion. The company's primary target industry sectors are the Mining Sector for the treatment of ores, concentrates, and tailings and the E-waste management sector for the treatment of electronic waste streams.

The EnviroLeach Process is similar to a cyanide circuit but safer and simpler. It involves the dissolution of the precious metals into the aqueous solution followed by extraction using conventional methods such as electrowinning, carbon absorption or precipitation. The operation is simple and does not require complex process circuits, intensive gas monitoring or detoxification systems.

The product is aimed at industry participants seeking an effective and safe alternative to cyanide and acid based solutions. The characteristics of the Enviroleach product creates very strong differentiation in the marketplace and provides unique positioning. The pending patents combined with the customization required for site optimization create significant barriers for competitors to overcome. The EnviroLeach Process is safe, eco-friendly, and provides comparable leach kinetics to that of cyanide or acid based lixiviants on most ores, concentrates, tailings and E-Waste.

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Overall Performance

In March 2017, the Company completed the transaction to purchase the technology rights. The rights to the technology for the concentration and extraction of valuable metals and minerals was acquired for a total purchase price of $10,129,909 in two separate agreements. to acquire the rights to technologies.

The first agreement was signed on December 13, 2016 in a transaction with Iberian, Mohave County Mining LLP ("Mohave"), and Steve Scott ("Scott"). Under this agreement, the Company is required to make payments to Mohave and Scott in order to affect the transfer of rights as required by an earlier agreement between them and Iberian. The total payments required to be made to Mohave and Scott are as follows:

2,000,000 Enviroleach shares	$ 100,000	(a)
Promissory note payable	$ 328,000	(b)
Advance royalty payable	$1,101,909	(c)
Total acquisition price	$1,529,909	

(a) Shares were issued in March 2017
(b) The balance represents $250,000 US.
(c) The balance represents the amortized cost of a non-interest bearing note of $1,000,000 US. The discount for interest is based on an annual interest rate of 5.0%, compounded monthly and a term of 39 months, based on projected cash flows.

The advance royalty payable is based on a payment of 10% of the "Net Profit Available for Distribution" paid quarterly to a maximum of 1,000,000 USD, with a minimum monthly payment of 5,000 USD. The amount is payable irrespective of whether profits are realized.

The full rights to the technology were acquired for another $8,600,000 in a separate agreement with Iberian, signed December 19, 2016. The price is to be paid as follows:

a) The issue of 28,000,000 common shares valued at $7,000,000 or $0.25 per share, and

b) Promissory note of $1,600,000. The note, under which $600,000 is to be repaid within six months and the balance of $1,000,000 within two years. The note bears interest of 5.0% per annum, compounded monthly payable if the repayments are missed.

This transaction was approved by the Iberian shareholders on March 14, 2017 and the Court of Queens Bench on March 15, 2017. The transaction was finalized on March 21, 2017.

Activities in the quarter primarily revolved around additional refinement of the composition of the chemical formula and process, combined with securing and relocating to a new lab and office space that will allow the Company to operate more efficiently.

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Summary of Quarterly Results

The following financial data is selected information for the Company for the eight most recently completed financial quarters, prior to October 21, 2016 the Company had no operations:

	Mar 31, 2017	Dec 31, 2016	Sept 30, 2016	Jun 30, 2016	Mar 31, 2016	Dec 31, 2015	Sept 30, 2015	Jun 30, 2015
Total revenue	$ Nil	$ Nil	$ Nil	$ Nil	$ Nil	$ Nil	$ Nil	$ Nil
Income (loss) for the period	(1,570,154)	(139,618)	Nil	Nil	Nil	Nil	Nil	Nil
Income (loss) per share (basic & diluted)	(0.10)	(0.06)	Nil	Nil	Nil	Nil	Nil	Nil

Financial results

The Company had no operating revenue for the three months ended March 31, 2017. For the three months ended March 31, 2016, the Company incurred a net loss of $1,570,154 ($0.10 loss per share).

The company incurred expenses related to listing the company on the Canadian Securities Exchange. The cost categories of Consulting fees ($70,960), Investor relations ($48,404), Professional fees ($135,186), and Transfer agent and filing fees ($26,816) that total $281,366 primarily relate to this process.

Costs related to the operation of the lab were $106,464, this includes the facility overhead and the testing and supplies consumed during the refinement of the technology.

General and administration costs were $145,618 that included $91,316 for management and employee costs.

Stock based compensation was $887,593 for 4,800,000 options issued at $0.25 during the three months ended March 31, 2017.

Amortization costs of $253,248 related to the technology asset that is being amortized over a 10-year life.

The Company recognized a gain of $87,874 from repaying a promissory note early at a discounted amount.

There were no comparable costs in 2016 due to having no operations prior to October 21, 2016.

Liquidity and Capital Resources

At March 31, 2017, the Company's cash position was $2,700,880 and the working capital surplus was $1,691,340.

The Company raised a net of $2,948,500 through a private placement of 12,000,000 common shares at $0.25. These proceeds will fund the working capital requirements of the Company. A further 30,000,000 common shares were issued to fulfill the corporate obligations regarding the technology rights acquisition.

The technology rights acquisition also required the company to issue promissory notes for $1,600,000. $231,017 was repaid to cancel the promissory notes issued in 2016.

The Company owes Iberian Minerals Ltd. $99,312 for expenses incurred on its behalf, which represented as due to related parties.

The Company is in the development phase and is not generating revenue as yet, it is expected that the working capital balance will follow a cycle of reduction and replenishment. Management currently follows a policy of raising only sufficient capital to carry out its near-term plans. This policy is meant to minimize dilution of shareholders' positions by raising capital when the stock price is at higher levels.

Assets

The Company spent $149,769 on equipment for the new lab and office facility.

Capital Commitments

The Company had no commitments for property and equipment expenditures for fiscal 2017. The Company expects that any property and equipment expenditures incurred, based on future needs, will be funded from working capital and/or from operating or capital leases.

Proposed Transactions

At the date of this MD&A, there are no disclosable transactions that the board of directors or senior management are aware of.

Outstanding Share Data

Authorized share capital

Unlimited number of common shares without par value.

Common shares

At March 31, 2017, there were 51,000,000 issued and fully paid common shares.

Stock options

At March 31, 2017, there were 4,800,000 stock options outstanding and exercisable at a weighted average exercise price of $0.25.

Warrants

At March 31, 2017, there were 12,412,000 warrants outstanding and exercisable at a weighted average exercise price of $0.50.

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet arrangements.

Forward-Looking Information and Statements

This MD&A contains certain forward-looking statements and forward-looking information (collectively referred to herein as "forward-looking statements") within the meaning of applicable Canadian securities laws. All statements other than statements of present or historical fact are forward-looking statements. Forward-looking information is often, but not always, identified by the use of words such as "could", "should", "can", "anticipate", "expect", "believe", "will", "may", "projected", "sustain", "continues", "strategy", "potential", "projects", "grow", "take advantage", "estimate", "well positioned" or similar words suggesting future outcomes. In particular, this MD&A contains forward-looking statements relating to: the future opportunities for the Company; the business strategy of the Company; and the competitive advantage of the Company.

In addition, forward looking statements regarding the Company are based on certain key expectations and assumptions of the Company concerning anticipated financial performance, business prospects, strategies, the sufficiency of budgeted capital expenditures in carrying out planned activities, the availability and cost of services, the ability to obtain financing on acceptable terms, the actual results of exploration projects being equivalent to or better than estimated results in technical reports or prior exploration results, and future costs and expenses being based on historical costs and expenses, adjusted for inflation, all of which are subject to change based on market conditions and potential timing delays. Although management of the Company consider these assumptions to be reasonable based on information currently available to them, these assumptions may prove to be incorrect.

By their very nature, forward looking statements involve inherent risks and uncertainties (both general and specific) and risks that forward looking statements will not be achieved. Undue reliance should not be placed on forward looking statements, as a number of important factors could cause the actual results to differ materially from the Company's beliefs, plans, objectives and expectations, including, among other things: general economic and market factors, including business competition, changes in government regulations or in tax laws; the early stage development of the Company and its projects; general political and social uncertainties; commodity prices; the actual results of current exploration and development or operational activities; changes in project parameters as plans continue to be refined; accidents and other risks inherent in the mining industry; lack of insurance; delay or failure to receive board or regulatory approvals; changes in legislation, including environmental legislation, affecting the Company; timing and availability of external financing on acceptable terms; conclusions of economic evaluations; and lack of qualified, skilled labour or loss of key individuals. These factors should not be considered exhaustive. Many of these risk factors are beyond the Company's control and each contributes to the possibility that the forward-looking statements will not occur or that actual results, performance or achievements may differ materially from those expressed or implied by such statements. The impact of any one risk, uncertainty or factor on a particular forward-looking statement is not determinable with certainty as these risks, uncertainties and factors are interdependent and management's future course of action depends upon the Company's assessment of all information available at that time.

The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this MD&A are made as of the date of this MD&A and the Company does not undertake and is not obligated to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless so required by applicable securities laws.