

**TISDALE RESOURCES CORP.**  
**(Formerly Senator Minerals Inc.)**  
**MANAGEMENT DISCUSSION & ANALYSIS**  
**For the Year Ended December 31, 2018**

**General**

The following management, discussion and analysis ("MD&A") for Tisdale Resources Corp. (formerly Senator Minerals Inc.) ("Tisdale" or the "Company"), prepared as of April 11, 2019, for the year ended December 31, 2018 should be read in conjunction with the Company's annual consolidated financial statements for the years ended December 31, 2018 and 2017 and related notes thereto, which have been prepared using accounting principles consistent with International Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB"). All monetary amounts in this MD&A and in the financial statements are expressed in Canadian dollars unless otherwise stated. Additional information on the Company can be found on SEDAR at [www.sedar.com](http://www.sedar.com). The reader should be aware that historical results are not necessarily indicative of future performance. The consolidated financial statements together with the following MD&A are intended to provide readers with a reasonable basis for assessing the financial performance of the Company.

**Forward-Looking Information**

Information set forth in this MD&A may involve forward-looking information under applicable securities laws. Forward-looking information is information that relates to future, not past, events. In this context, forward looking information often addresses expected future business and financial performance, and often contains words such as "anticipate", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation; statements about the future expenditures and capital needs of the Company and the future exploration on, and the development of, the Company's projects are forward-looking information. By its nature, forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the following risks: the need for additional financing; operational risks associated with mineral exploration; fluctuations in commodity prices; title matters; environmental liability claims and insurance; reliance on key personnel; the potential for conflicts of interest among certain officers, directors and promoters with certain other projects; the absence of dividends; competition; dilution; the volatility of the Company's common share price and volume and the additional risks identified in the "Risk Factors" section of this MD&A, and other reports and filings with applicable Canadian securities regulations.

Forward-looking information is in addition based on various assumptions including, without limitation, the expectations and beliefs of management, the assumed long-term price of commodities; that the Company can access financing, appropriate equipment and sufficient labor and that the political environment will continue to support the development and operation of mining projects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking information. Accordingly, readers are advised not to place undue reliance on forward-looking statements. Forward-looking information is made based on management's beliefs, estimates and opinions on the date that information is given and the Company does not intend to update forward-looking statements or information, except as may be required by applicable law.

## **Description of Business and Overview**

The Company was incorporated in the Province of Ontario and continued into the Province of British Columbia, is listed on the TSX Venture Exchange (symbol: "TRC"), and has its principal, registered and records office at 2200 - 885 West Georgia Street, Vancouver, B.C. V6C 3E8.

The Company is in the business of acquiring, exploring and evaluating mineral resource properties, and either joint venturing or exploring and evaluation these properties further or disposing of them when the evaluation is completed. The Company is a development stage company and has produced no revenues to date and is reliant on the issuance of shares to finance continued exploration activities and operations.

On February 7, 2017, the Company entered into an agreement with an arm's-length vendor to acquire a 100% interest in the Patterson North East (PNE) Uranium Project, located on the east side of the Athabasca Basin in Northern Saskatchewan, the most productive uranium-producing region in the world.

Through the transaction, the Company can earn a 100% interest in the PNE project by making payments of \$150,000 to the vendor at various times in year one, a further \$250,000 on the first anniversary and a final payment of \$500,000 on the second anniversary of the transaction. As at December 31, 2017, the Company had paid \$115,000 to the optionor, and had spent a total of \$80,550 for claim maintenance and exploration costs on the project. Total acquisition and exploration costs related to the project were recognized in the statement of comprehensive loss.

The Company has elected to terminate its option to acquire the Patterson Northeast (PNE) Uranium Project.

On September 13, 2017, the Company completed the acquisition of the right to acquire the Carter Lake Uranium Project through the purchase of Gunnar Minerals Corp. Following completion of the acquisition, Gunnar has become a wholly-owned subsidiary of the Company. In consideration for the acquisition of Gunnar, the Company paid \$0.227 per share for the 7,500,000 outstanding common shares of Gunnar, which includes a \$100,000 commitment fee advanced to Gunnar in June 2017. As of closing of the acquisition, the Company has paid a total of \$1,700,000 (including the commitment fee) as purchase consideration.

On August 24, 2017, the Company closed its fully subscribed financing, by issuing 480,769 common shares, at a price of \$5.20 per share, for total gross proceeds of \$2,500,000.

On November 24, 2017, the Company acquired Keefe Lake Projects Inc. ("Keefe Lake"). Subject to existing royalty rights, Keefe Lake Projects holds a 100% interest in the Keefe Lake Uranium Project, an advanced exploration project that covers an area of approximately 15,400 hectares, on the eastern side of the Athabasca Basin, in Northeastern Saskatchewan, Canada. Pursuant to a purchase agreement entered into by the Company, Keefe Lake and its shareholders, Urania Resource Corp. and Doctors Investment Group Ltd., whereby the Company acquired all of the issued and outstanding share capital of Keefe Lake for 1,525,000 common shares of the Company valued at \$2,867,000 or \$1.88 per common share issued.

On March 29, 2018, the Company entered into a debt modification agreement with Apollo Innovative Solutions Inc. (the "Creditor"). The Creditor agreed to convert its outstanding debt of \$190,000 into a note due on July 1, 2019 and the Company hereby agreed to pay the Creditor 10% interest on the outstanding balance, payable on maturity of the note. As of December 31, 2018, the Company accrued \$14,419 in interest.

On November 14, 2018, the Company consolidated all its issued and outstanding share capital on a one-new-for-four-old basis. Following the consolidation the Company has 10,373,419 common shares outstanding. The name of the Company was also changed to Tisdale Resources Corp. on the same date.

On December 3, 2018 the Company's board of directors was reconstituted to consist of Richard Grayston, Marco Parente, Mark Ferguson and Richard Ko. Mr. Grayston was appointed President, CEO and Corporate Secretary of the Company, and Mr. Ko as CFO.

On December 3, 2018 the Company completed a non-brokered private placement by issuing 550,000 units at a price of \$0.20 per unit for gross proceeds of \$110,000. Each unit consists of 1 common share of the Company and 1 common share purchase warrant entitling the holder to acquire a further common share of the Company at a price of \$0.26 per share for a period to twenty-four months.

On December 6, 2018 Mr. Parente resigned as a director of the Company.

Additional information relating to the Company is available at [www.sedar.com](http://www.sedar.com).

### **Exploration and Evaluation Projects**

Ownership of mineral property interests may involve certain risks due to difficulties in determining the validity of certain claims as well as the potential for problems arising from the ambiguous conveyancing history characteristic of some mineral properties. The Company has investigated ownership of the mineral properties in which it has an interest and, to the best of its knowledge, all properties are in good standing.

It is the Company's policy to expense exploration and evaluation expenditures as incurred.

#### ***Carter Lake Uranium Project, Southwestern Saskatchewan***

On September 13, the Company entered into a share purchase agreement with Gunnar Minerals Corp. ("Gunnar") pursuant to which it acquired 100% of the shares of Gunnar in consideration for a cash payment of \$1,700,000. Gunnar holds the rights to acquire the Carter Lake Uranium Project, located in the southwest corner of the Athabasca Basin, Saskatchewan, after signing an agreement with Doctors Investment Group Ltd. ("Doctors") to acquire 100% interest in and to the property on April 8, 2017, amended January 30, 2019. The Carter Lake Uranium Project is subject to a 2% net smelter returns royalty, one-half of which can be purchased by a cash payment of \$2,000,000.

In consideration for the grant of the right to purchase 100% undivided interest in the property Gunnar shall pay:

- \$100,000 in cash within 5 days of Gunnar entering into an assignment or other material agreement for an interest in the property with an issuer with shares trading on a recognized stock exchange but in any event no later than 90 days after the signing of this agreement (paid July 5, 2017);
- A further \$100,000 in cash and completing no less than \$250,000 in qualified exploration expenditures on the property on or before April 8, 2019;
- A further \$100,000 in cash and completing no less than \$500,000 in qualified exploration expenditures on the property on or before April 8, 2020;
- A further \$100,000 in cash and completing no less than \$1,000,000 in qualified exploration expenditures on the property on or before April 8, 2021; and
- At Gunnar's election cash payments can be paid to Doctors in lieu of completing qualified exploration expenditures on the property.

The project covers approximately 1,113 hectares on the Carter Lake corridor, an exploration zone adjacent to the prolific Patterson Lake corridor, which hosts two of the most significant uranium deposits in the basin: Nexgen's Arrow deposit and Fission's Patterson Lake South deposit.

On September 17, 2017, the Company commenced its phase 1 radon gas survey and completed the deployment of Alpha-Track radon gas sensors in an array over the Carter Lake conductive zone, which was previously identified through a VTEM (versatile time domain electromagnetic) (magnetic/EM ) survey, performed by ESO Uranium Corp.

On October 4, 2017, the Company delivered 158 radon cups to Alpha-Track Uranium Exploration Services for assay. On November 7, 2017, the Company completed its initial interpretation of radon gas results. The results confirmed that the highest concentrations of radon gas observed in the 2017 programs strongly correlated with the faulting in the subsurface sandstones and with electromagnetic conductors interpreted through both ground and airborne geophysics. This strong correlation suggests that the radon gas at Carter Lake is likely the result of a subsurface radioactive source. As such, the Company's exploration team intends to undertake a highly detailed diamond drilling plan to test the project.

The results, which ranged from a high of 29 tonnes per square millimetre to a low of less than one tonne per square millimetre, suggesting that both the Carter Lake target zones host anomalous concentrations of uranium. Anomalous radon gas, which is a product of uranium decay, gives a direct correlation to the presence of subsurface uranium.

### ***Keefe Lake Projects, North-eastern Saskatchewan***

On November 24, 2017, the Company acquired Keefe Lake Projects Inc. Subject to existing royalty rights, Keefe Lake Projects holds a 100% interest in the Keefe Lake Uranium Project, an advanced exploration project that covers an area of approximately 15,400 hectares, on the eastern side of the Athabasca Basin, in Northeastern Saskatchewan, Canada. The project is on trend with the McArthur River, Cigar Lake and Key Lake mines, three of the largest and richest uranium mines in the world. The Keefe Lake exploration model is a shallow basement or sandstone-hosted uranium deposit, with average basement depths of only 170 meters. Since 2012, the project has been subject to over \$4,000,000 in exploration expenditures, including airborne geophysics, 2-D seismic and diamond drilling.

### **Acquisition of Subsidiaries**

#### **Gunnar Minerals Corp.**

On September 13, 2017, the Company completed the acquisition of the right to acquire the Carter Lake Uranium Project through the purchase of Gunnar Minerals Corp. ("Gunnar"). Gunnar holds the right to acquire a 100% interest in the Carter Lake Uranium Project.

Following completion of the acquisition, Gunnar became a wholly-owned subsidiary of the Company. In consideration for the acquisition of Gunnar, the Company paid \$0.227 per share for the 7,500,000 outstanding common shares of Gunnar, which includes a \$100,000 commitment fee advanced to Gunnar in June 2017. As of closing of the acquisition, the Company has paid a total of \$1,700,000 (including the commitment fee) as purchase consideration.

The Company was considered the acquirer, and Gunnar was considered the acquiree in the transaction. Gunnar was incorporated in April 2017 and did not constitute an operating business; therefore, the transaction was not accounted for as a business combination under IFRS 3. The consideration paid in excess of net liabilities acquired was expensed to exploration expenditures.

The following table summarizes the consideration paid and the fair value of the identifiable liabilities assumed as of the date of acquisition:

Cash paid	\$ 1,700,000
<b>Total consideration paid</b>	<b>1,700,000</b>
Liabilities	(1,164)
<b>Total value</b>	<b>(1,164)</b>
<b>Exploration expenditures</b>	<b>\$ 1,701,164</b>

### Keefe Lake Projects Inc.

On November 24, 2017, the Company acquired Keefe Lake Projects Inc. (“Keefe Lake”). Pursuant to a purchase agreement entered into by the Company, Keefe Lake and its shareholders, Urania Resource Corp. and Doctors, whereby the Company acquired all of the issued and outstanding share capital of Keefe Lake for 1,525,000 common shares of the Company. The shares were valued at \$1.88 per common share, based on the fair value of the shares on the date of TSX-V acceptance of this transaction.

The Company was considered the acquirer, and Keefe Lake was considered the acquiree in the transaction. Keefe Lake was incorporated in November 2017 and did not constitute an operating business; therefore, the transaction was not accounted for as a business combination under IFRS 3. The consideration paid in excess of net liabilities acquired was expensed to exploration expenditures.

The following table summarizes the consideration paid and the fair value of the identifiable liabilities assumed as of the date of acquisition:

Number of shares issued	1,525,000
Fair value of shares at acquisition date	\$ 0.47
<b>Total consideration paid</b>	<b>\$ 2,867,000</b>
Assets/Liabilities	-
<b>Total value</b>	<b>-</b>
<b>Exploration expenditures</b>	<b>\$ 2,867,000</b>

### Selected Annual Information

The following table summarizes financial information, prepared in accordance with IFRS, for the Company for the years ended December 31, 2018, 2017 and 2016.

	2018 \$	2017 \$	2016 \$
Total revenue	-	-	-
Net and comprehensive loss	235,112	5,218,669	60,378
Net loss per share, basic and diluted	0.02	0.60	0.01
Total assets	159,198	197,835	5,160

## Summary of Quarterly Results

	3 Months ended Dec 31, 2018 \$	3 Months ended Sept 30, 2018 \$	3 Months ended June 30, 2018 \$	3 Months ended Mar 31, 2018 \$	3 Months ended Dec 31, 2017 \$	3 Months ended Sept 30, 2017 \$	3 Months ended June 30, 2017 \$	3 Months ended Mar 31, 2017 \$
Total revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Loss for the period	66,044	40,266	67,879	60,923	4,698,620	492,861	181	27,007
Net loss per share, basic and diluted	0.01	0.00	0.01	0.00	0.56	0.04	0.00	0.00
Total assets	159,198	92,364	98,169	162,995	197,835	1,956,821	323,049	20,947
Total liabilities	342,649	319,771	285,310	282,257	256,174	183,540	256,907	254,624
Total shareholders' equity (deficiency)	(183,451)	(227,407)	(187,141)	(119,262)	(58,339)	1,773,281	66,142	(233,677)

## Results of Operations

### *Three months ended December 31, 2018*

In the three months ended December 31, 2018 the Company incurred a loss of \$66,044 (\$0.01 per share) compared with a loss of \$4,698,620 (\$0.56 per share) in the three months ended December 31, 2017. The loss in the 2017 period was dominated by exploration and evaluation costs of \$4,551,924 versus only \$1,000 in the 2018 period. Advertising, consulting, filing and listing fees, interest, office and management fees were substantially lower in the 2018 quarter totalling \$44,018 versus a total of \$134,322 in the 2017 period. The exception was professional fees which were \$21,024 in the fourth quarter of 2018 versus \$12,373 in the 2017 fourth quarter. In the 2018 fourth quarter the Company incurred added legal costs as it changed management, consolidated its outstanding shares, changed its name to Tisdale Resources Corp. and completed a small private placement. Starting earlier in 2018, the Company began a reorganization and substantially reduced its exploration activities and reduced its general and administrative expenses.<sup>6</sup>

### *Year ended December 31, 2018*

In the year ended December 31, 2018 the Company incurred a loss of \$235,112 (\$0.02 per share) compared with a loss of \$5,218,669 (\$0.60 per share) in the year ended December 31, 2017. In 2018 exploration expenditures: acquisition, maintenance exploration and geological consulting expenditures totaled \$10,223 versus \$4,833,922 in 2017. In the 2018 year general and administrative expenditures totaled \$224,889 versus \$404,084 in the 2017 year. This decrease in G&A spending, in the amount of \$179,195, as well as the large decrease in exploration spending is a direct result of the overall decrease in Company activity in 2018 from the level of activity in 2017.

## Liquidity and Capital Resources

As of December 31, 2018, the Company had current assets of \$159,198 and current liabilities of \$342,649 resulting in a working capital deficiency of \$183,451.

During 2018 operating activities used \$150,264 in cash. The Company had no investing activities during the year.

The Company's activities in 2018 were financed by conversion of the debt into a loan payable in the amount of \$190,000 by an investor who is prepared to assist the Company in implementing its business plan, and the proceeds of a small private placement in the amount of \$110,000.

The Company is a development stage company with no revenue producing properties and, consequently, does not generate operating income or cash flow. The Company has incurred losses since inception. The Company has relied upon the issuance of equity capital to provide working capital to fund the Company's operations.

### **Off Balance Sheet Transactions**

The Company has no off balance sheet transactions.

### **Share Capital**

As at December 31, 2018, the details of share capital were as follows:

Authorized:

Unlimited number of common shares without par value

Unlimited number of special shares issuable in series without par value

Issued and Outstanding:

10,923,491

### **2018**

On November 14, 2018, the Company consolidated all its issued and outstanding share capital on a one-new-for-four-old basis. All figures as to the number of common shares, stock options, warrants, and loss-per-share in the consolidated financial statements have been retroactively restated to reflect the consolidation.

On December 3, 2018 the Company completed a non-brokered private placement by issuing 550,000 units at a price of \$0.20 per unit for gross proceeds of \$110,000. Each unit consists of one common share of the Company and one common share purchase warrant entitling the holder to acquire a further common share of the Company at a price of \$0.26 per share for a period of twenty-four months.

### **2017**

On August 24, 2017 the Company completed a non-brokered private placement by issuing 1,923,077 common shares, at a price of \$1.30 per share, for total gross proceeds of \$2,500,000.

On November 24, 2017, pursuant to a share purchase agreement with Keefe Lake Projects Inc., the Company issued 1,525,000 common shares valued at \$2,867,000 or \$1.88 per common share issued.

### **Warrants**

The Company has 550,000 warrants outstanding, each warrant entitling the holder to acquire an additional common share at \$0.26 per share and expiring on December 3, 2020.

### **Related Party Transactions and Balances**

#### *Key Management Compensation*

Key management compensation for the years ended December 31, 2018 consisted of the following:

- Management fees in the amount of \$56,000 (2017 - \$47,000) were paid to a director, former directors and companies controlled by former directors of the Company.

### *Related Party Balances*

At December 31, 2018, included in trade payables was \$12,075 (2017 - \$5,775) owing to a director and a company controlled by a former director of the Company in respect of fees.

### **Loan Payable**

On March 29, 2018 the Company entered into a debt modification agreement with Apollo Innovative Solutions Inc. (the "Creditor"). The Creditor agreed to extend the term of the Company's outstanding debt of \$190,000 to July 1, 2019 and the Company agreed to pay 10% interest on the outstanding balance, payable on maturity of the note. As at December 31, 2018 the Company has accrued \$14,419 in interest.

### **Financial Instruments**

#### Fair Value of Financial Instruments

The Company has classified its trade and other payables and a loan payable as financial assets and financial liabilities measured at amortized cost. Such assets and liabilities are recognized initially at fair value inclusive of any directly attributable transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment losses. The Company has classified its cash as a financial asset measured at fair value through profit and loss.

The Company's exposure from its use of financial instruments is incorporated into the risk analysis of interest rate risk, credit risk and liquidity risk noted below.

#### Capital Management

The Company considers its capital to be the total shareholders' equity which at year end was negative \$183,451 (December 31, 2017 - negative \$58,339).

The Company's objectives in managing its capital are: to maintain corporate and administrative functions necessary to support the Company's operations and corporate functions; to perform mineral exploration activities on the Company's exploration projects; and to seek out and acquire new projects of merit. In order for the Company to carry out planned exploration, additional equity financing will be required.

### **Critical Accounting Estimates**

The preparation of audited consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities in the consolidated financial statements. The Company constantly evaluates these estimates and assumptions.

The Company bases its estimates and assumptions on the past experience and other factors that are deemed reasonable under the circumstances. This involves varying degrees of judgment and uncertainty, thus the amounts currently reported in the consolidated financial statements could prove to be inaccurate in the future.

#### *Adoption of IFRS 9 Financial Instruments ("IFRS 9")*

On June 1, 2018, the Company adopted the requirements of IFRS 9. IFRS 9 provides a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected-loss" impairment model.

The Company has elected to apply the limited exemption in IFRS 9 paragraph 7.2.15 relating to transition for classification and measurement and impairment, and accordingly has not restated comparative periods in the year of initial application. IFRS 9 did not impact the Company's classification and measurement of financial assets and liabilities, and there was no significant impact on the carrying amounts of the Company's financial instruments at the transition date.

The introduction of the new 'expected credit loss' impairment model had negligible impact on the Company, given the Company sells its conducts sales with known organizations with no historical level of customer default, and the corresponding receivables from these sales are short-term in nature.

The Company currently has no hedging arrangements, and will apply the new accounting requirements under IFRS 9 as required.

### **Accounting standards issued but not yet applied**

IFRS 16 *Leases* will replace IAS 17 *Leases*. IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Application of the standard is mandatory for annual periods beginning on or after January 1, 2019, with early application permitted. IFRS 16 will result in an increase in assets and liabilities as fewer lease payments will be expensed. The Company does not expect a significant impact from adopting this standard.

### **Risk Factors**

The exploration of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not overcome. Certain of the more immediate factors are discussed as follows:

#### ***Exploration, evaluation and development***

Mineral exploration, evaluation and development involve a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and evaluation activities will result in any discoveries of new bodies of commercial ore. There is also no assurance that presently identified mineralization can be mined at a profit. Discovery of mineral deposits is dependent upon a number of factors and significantly influenced by the technical skill of the exploration personnel involved.

The commercial viability of a mineral deposits is also dependent upon a number of factors, some of which are beyond the Company's control such as commodity prices, exchange rates, government policies and regulations and environmental protection.

#### ***Financing***

The Company does not currently have any operations generating cash to fund projected levels of exploration and evaluation activity and associated overhead costs. The Company is therefore dependent upon debt and equity financing to carry out its exploration and evaluation plans. There can be no assurance that such financing will be available to the Company. In the future, the Company will require additional funding to maintain its mineral properties in good standing. The lack of additional financing could result in delay or indefinite postponement of further exploration and possible partial or total loss of the Company's interest in its exploration and evaluation assets.

#### ***Commodity price volatility***

The market prices for commodities are volatile. The Company does not have any control over such prices

or volatility. There is no assurance that if commercial quantities of mineralization are discovered, a profitable market will exist for a production decision to be made or for the ultimate sale of production at a profit. As the Company is currently not in production, no sensitivity analysis for price changes has been provided.

### ***Financial Instruments***

The Company's financial instruments consist of cash, amounts receivable, trade and other payables and loans payable. The fair value of the Company's cash, amounts receivable, trade and other payables and loans payable approximates their carrying value, due to their short-term maturities or ability of prompt liquidation.

For a complete summary of the Company's financial instrument risks see Note 4 to the consolidated financial statements for the year ended December 31, 2018.

### **Events After the Reporting Period**

No material events have occurred since December 31, 2018.

### **Approval**

The board of directors of the Company has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.