ST-GEORGES ECO-MINING CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the nine months ended September 30, 2018

INTRODUCTION

The following Management's Discussion and Analysis of the financial condition and results of operations ("MD&A") for St-Georges Eco-Mining Corp. ("Company") should be read in conjunction with the audited financial statements for the year ended December 31, 2017 and the nine months ended September 30, 2018. Those financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All currency amounts are in Canadian dollars, unless otherwise stated. Additional information relating to the Company can be found on SEDAR (www.sedar.com) under St-Georges Eco-Mining Corp. or on the Company's website (www.stgeorgesplatinum.com).

This MD&A is dated November 30, 2018.

FORWARD-LOOKING STATEMENTS

This MD&A contains certain forward-looking statements with respect to the Company. These forward-looking statements, by their very nature, involve risks and uncertainties that could cause actual results to differ materially from those contemplated. The Company considers the assumptions upon which these forward-looking statements are based to be reasonable, but cautions the reader that these assumptions regarding future events, many of which are beyond the Company's control, may ultimately prove to be incorrect.

COMPANY DESCRIPTION

St-Georges Eco-Mining Corp. was incorporated under the Canada Business Corporations Act on September 21, 2002. The Company is listed on the Canadian Securities Exchange, having the symbol SX, on the US OTC, having the symbol SXOOF, and on the Deutsche Börse in Frankfurt (FSE) under the symbol 85G1. The address of the Company's corporate office and principal place of business is 230 Rue Notre-Dame West, Montreal, H2Y 1T3, Canada. The principal activities of the Company are the development of eco-mining metallurgical processes and the exploration and evaluation of mineral properties in Canada and Iceland. The Company, which is in the process of exploring its mineral properties, has two reportable segments and all of the assets are located in Canada and Iceland.

OVERVIEW

The Company is engaged in the exploration of certain mineral properties summarized as follows and described in more details in the financial statements:

Villebon Property

The Villebon Property is located within the Abitibi Greenstone Belt of northwestern Quebec.

Julie and Isoukustouc Projects

The Julie Project is located south of Lac La Blache, Quebec.

The Isoukustouc Project is located within the Manicouagan River – Manic Complex, Quebec.

In August 2018, the Company selected about 100kg of material from the B40 showing of the Isoukustouc project. The material has been assessed and prepared for shipping to different independent laboratories for independent review of a metallurgical flow sheet designed by the Company's metallurgists. This project is owned 100% by the Company's subsidiary Kings of the North Corporation.

Lithium Properties

The Lithium Properties are comprised of a 100% interest in certain claims located in Quebec.

Le Royal Lithium Project

In October 2016, the Company completed the acquisition of a set of 5 mineral exploration claims in the lithium mining camp of LaCorne, in the Abittibi region of Quebec. The acquisition was done jointly with Lepidco Ltd. (ASX:LPD) (formerly known as Platypus Minerals Ltd.) ("Lepidco"). St-Georges currently own 90% of the project and Lepidico owns 10%. Lepidico obligations have all been met. Lepidico commissioned and paid a Technical National Instrument 43-101 Report on the project and paid all cash obligations to the vendors. The only on-going obligation of Lepidico moving forward is to provide access to its lepidolite-lithium extraction technology (L-Max®) for the Le Royal Lithium project. St-Georges issued 1,500,000 shares to the vendors in 2016 and 2,860,000 in 2017.

Iceland Resources EHF / St-Georges Iceland Ltd.

Iceland Resources EHF ("Iceland Resources") was a privately-owned Icelandic corporation with gold/silver/copper/cobalt/zinc projects in Iceland. It currently has 9 defined mineral exploration and development projects in Iceland (8 licenses or license applications held directly and one within a Joint-Venture). Other opportunities are being sought after with the collaboration of St-Georges (with the possibility to deploy St-Georges technologies resulting from its R&D initiatives).

Iceland is an important producer and developer of geothermal energy. St-Georges' management has been active over the last few years in Iceland with the goal of securing access to geothermal operations to test the development of technologies allowing the extraction of lithium and light minerals from the brines being pumped from the geothermal wells and for the extraction of a large variety of precious and base metals found in the mud rejected from the same operations.

On March 16, 2017, the Company announced that it had successfully completed its due diligence review of Iceland Resources EHF and signed a final definitive acquisition agreement. St-Georges would then own all of the outstanding shares of Iceland Resources. St-Georges' new subsidiary now owns multiple polymetallic exploration & development projects in Iceland and has direct or indirect access to all active mineral tenure, claims and mineral leases in Iceland.

On October 11 2018, St-Georges announced that it entered into a share purchase agreement with the minority shareholders of St-Georges Iceland Ltd. pursuant to which St-Georges acquired the remaining 40% interest in SX Iceland, such that SX Iceland is now a wholly owned subsidiary of SX.

Under the terms of the SPA, St-Georges will pay: (i) $60,000, (ii) issue 727,124 common shares (each a “Share”) of the Corporation, (iii) issue 6% capitalized interest debenture convertible into Shares at a price equal to a 5 days VWAP on the day of the conversion, subject to a minimum price of $0.15, for an aggregate principal amount of $300,000, and (iv) issue 300,000 Share purchase warrants of the Corporation exercisable at a price of $0.15 for a period of 12 months.

The Opportunity

Iceland Resources EHF is an Icelandic corporation with gold/silver/copper/cobalt/zinc projects in Iceland. Amongst its projects are the 100% owned Reykjanes developmental project just south of the capital Reykjavik and encompassing the town of Keflavik and the gold project of Thormodsdalur located approximately 10km east of the city limits of the capital Reykjavik.

In August 2018, Iceland Resources received notice of a forced execution of an option agreement pre-dating the Company’s acquisition of Iceland Resources. The option allows Iceland Resources to acquire 15% of the energy developer company Íslensk Vatnsorka HF through an agreement with its largest shareholder Spá EHF. This option was deemed immaterial in the process of the Company’s acquisition of the Iceland Resources after an evaluation of the likelihood of a positive outcome of the permitting process of the Spá EHF Hydro Electric Dam project.

On October 11, 2018, the Company announced the execution of a share purchase and subscription agreement with Spá ehf and Íslensk Vatnsorka EHF to acquire the 15% interest in the 10-20 MW hydro power plant located just south of Langjokull in Iceland.

Kings of the North Corp. (“KOTN”)

During the year ended December 31, 2017, the Company established a wholly-owned subsidiary, Kings of the North, to facilitate mining transactions in Canada.

On November 14, 2017, the Company reported that its newly formed subsidiary (KOTN), planned to “farm-in” the Hemlo North Gold Project.

KOTN entered into a Letter of Intent (“LOI”) with Canadian Orebodies (TSX-V:CORE, “CORE”) in order to option or “farm-in” CORE’s Hemlo North Project. Hemlo North is located approximately 17 km northeast of the Hemlo gold mine in the Ontario’s Marathon district. It covers approximately 6,800 hectares. A highway bisects the project providing good access to much of the property. A recent NI 43-101 Technical Report was completed in December, 2016.

KOTN’s interest in the project is driven by the similarity of formations within the project boundaries and at the nearby Hemlo Mine. These porphyry bodies contain gold within and adjacent to the property boundaries of the Hemlo North project. In addition, multiple gold and precious metal targets occur within banded iron formation and volcanic hosted massive sulfides. KOTN believes the multitude of gold and base metal targets generated by past work coupled with geophysical anomalies and historic drilling have de-risked the next phase of exploration.

Terms of the Transaction

The LOI describes the terms and the conditions that should lead to a formal agreement. The parties agree that the Definitive Agreement will not be entered into until KOTN can demonstrate that it has raised at least $3,000,000 in equity financing.

In order to acquire an initial 50% interest in the Hemlo North Project, KOTN agrees to:

- Pay to CORE a $50,000 cash deposit, on or before December 31, 2017
- Upon execution of the Definitive Agreement, issue to CORE a $350,000 principal amount secured convertible note bearing interest at a rate of 15% per annum, calculated monthly but payable on maturity. The principal and accrued interest under the First Convertible Note will be convertible at the option of the holder at any time into common shares of KOTN at a

conversion price equal to the lesser of the volume-weighted average price of KOTN's common shares for the 20 trading days prior to conversion or, if KOTN is not a public company at the time of conversion, the price or deemed price per KOTN common shares in the most recent transaction in which KOTN issued common shares or securities convertible into KOTN common shares.
- Incur or cause to be incurred exploration expenditures of $2,000,000 on the properties before December 31, 2018

In order to acquire an additional 25% interest in the Hemlo North Project (for a total of 75%), KOTN agrees to:

- Issue to CORE a $650,000 principal amount secured convertible note bearing interest at a rate of 15% per annum, calculated monthly but payable on maturity. The principal and accrued interest under the Second Convertible Note will be: (a) convertible at the option of the holder at any time prior to KOTN's becoming a Public Company into common shares of KOTN at a conversion price equal to the price or deemed price per KOTN common share in the most recent transaction in which KOTN issued common shares or securities convertible into KOTN common shares; and (b) if not previously converted, shall be automatically converted at the deemed stock exchange listing price of KOTN's common shares upon KOTN's becoming a Public Company.
- Incur or cause to be incurred an additional $2,000,000 in exploration expenditures on the Properties and provide a NI 43-101 technical report before December 31, 2019.

In order to acquire an additional 10% interest in the Hemlo North Project (for a total of 85%), KOTN agrees to deliver a positive pre-feasibility study (with going forward recommendations) on the Project before December 31, 2021.

Canadian Orebodies Buyback Option

CORE has the option to buy back up to a 25% interest in the Properties by making the following payments to the Purchaser:

- $1,000,000, and
- 300% x (the qualified expenditures incurred by the Purchaser, as well as any amounts incurred in relation to the production of a technical report and/or a pre-feasibility study) x (percent interest to be bought back by the Vendor)

Kings of the North and Canadian Orebodies shall provide additional information in regards to the contemplated transaction and its progress in the coming weeks.

Winter House Option

On December 17, 2017, St-Georges announced that KOTN entered into an option agreement to acquire a 100% interest in the Winter House project.

In consideration for the 100% interest in the Property, KOTN will issue an aggregate of 6,000,000 Shares, assume $140,000 in current and on-going exploration expenses and grant a 3.5% net smelter return royalty on the Property.

On exercise of the Option, KOTN will have 18,000,000 Shares outstanding, of which St-Georges will hold 67%.

In June 2018, KOTN issued 2,000,000 shares towards the acquisition of the Winter House project.

About the Winter House Project

The Winter House Project consists of 63 map-designated cells covering a surface area of 3,290 hectares (approximately 33 sq. km) and is located approximately 95 kilometres west of the town of

Fermont, on the Quebec North Shore.

The Winter House project is part of the Superior geological province and is mainly composed of volcano-sedimentary rock assemblages of the Courcy and Soulard formations in contact with tonalites of the eastern Opatica Subprovince. Winter House is adjacent to the eastern border of Stelmine Canada's Courcy project, which exposed gold mineralized zones, grading up to 24.8 g/t Au in grab samples (see Stelmine Canada PR dated October 17 of 2017) and up to 167 g/t Au over 0.5 metres in channel samples and up to 4.27 g/t Au over 42 m, including 12.15 g/t Au over 13.5 m in drill samples (Source SIGEOM: GM61872 and GM 62834).

Based on historical work, the Winter House project shows strong electromagnetic anomalies detected by a MAG-AeroTEM (magnetics and electromagnetics) airborne geophysical survey performed in 2008. These anomalies extend over a few kilometres and could represent potential targets for gold. During the summer of 2017, a follow-up reconnaissance program on the ground allowed the vendors to collect a total of 123 bedrock (surface) grab samples on these geophysical anomalies. These samples have been submitted for analyses for gold and a package of multi-elements. The results from these analyses are pending and will be released as soon as all results are received and compiled.

Lithium Extraction Technologies

On December 7, 2017, the Company announced that it had entered into a final agreement to deploy its proprietary lithium extraction suite of technologies.

St-Georges and Iconic Minerals Ltd (TSX-V:ICM) (Iconic) entered into a definitive exclusive technology licensing agreement for all sites to be operated by Iconic and/or its affiliates in the state of Nevada.

In return for a perpetual license for the technologies and its future improvements, Iconic will pay to St-Georges:

- Invest by way of private placement CAD $100,000 in St-Georges equity within 6 months.

- Issue in total 5 million common shares (the "Shares") of Iconic to be released in stages, based on benchmarks reached. The performance schedule outlining the stages of each development phase where Shares will be issued according to the schedule below:

  -2,000,000 shares at Stage 1 Benchmark completion: which is defined by the delivery of an independent laboratory report currently commissioned to Dundee Sustainable Technologies by St-Georges;

  -1,500,000 shares at Stage 2 Benchmark completion: which is defined by independent report describing results of initial pilot mining operations and the processing of a minimum of one (1) metric ton in a simulated industrial environment; and

  -1,500,000 shares at Stage 3 Benchmark completion: which is defined by the reception of a Preliminary Economical Assessment Report (PEA) or at commercialization decision or the third (3^{rd}) year anniversary mark of this agreement assuming other issuance have all been done;

  The Shares St-Georges earns in each stage will be escrowed for the duration of 36 months.

- A perpetual Net Revenue Interest Royalty (NRI) of 5% on all minerals produced on sites licensed with the Company's technologies;

In September, 2018, the Company received bulk material from Iconic Bonnie Claire lithium project. The Company metallurgical work has already determined that the bulk of the lithium is located in the super fine particles allowing to separate the agglomerated fines with a mechanical process prior to passing it through its process, improving potentially the percentage of recovery of the Li and reducing significantly the overall mineral material being processed.

In October 2018 The Company's metallurgists have successfully separated all particles under 5 microns where the most of the lithium resides. Crystalline evaluation is currently being performed. The next work phase will move from the purification of the lithium to studying the potential monetization of by products such as potassium sulphate commonly used has fertilizer.

SX Lithium recovery for Clays and Hard Rock Technology

SX technology process lithium bearing material in three (3) phases:

1. Concentrates the lithium bearing material.
2. Converts the lithium to a salt and purifies it through lithium selection. The process involves gasification to activate the lithium and selectively removing the lithium salt from the other elements with the usage of a proprietary technique, which will be kept confidential at this stage.
3. It involves purification and direct production of lithium carbonate or lithium hydroxide and can be linked to a lithium metal production.

On August 8, 2018, the Company announced that it has signed a binding term sheet with Hipo Resources Ltd. ("Hipo"), a public company based in Australia to provide research and development utilizing products, extraction methods and proprietary technology to develop Hipo's Democratic Republic of Congo lithium project in separation, recovery, and purification of lithium from its lithium-bearing material. Once a definitive agreement has been entered into, Hiop will issued to the Company up to 27,000,000 common shares of its capital stock over a 36-month period. The performance benchmarks over the 36-month period according to the schedule below:

1. 1,500,000 shares at signing.
2. 8,500,000 shares at Stage 1 Benchmark completion: which is defined by the delivery of an independent laboratory report commissioned by the Company, indicating positive viable lithium recoveries.
3. 8,500,000 shares at Stage 2 Benchmark completion: defined by independent report describing results of initial pilot mining operations and the processing of a minimum of one (1) metric ton in a simulated industrial environment.
4. 8,500,000 shares at Stage 3 Benchmark completion: defined by the receipt of either: a Preliminary Economical Assessment Report (PEA); a commercialization decision; the third (3rd) year anniversary of this agreement assuming all other issuances have been made.

The Company has agreed that shares issued will be subject to a 36 months escrow period.

ZeU CryptoNetworks – Blockchain Technoloy

On January 4, 2018, St-Georges announced the signing of a significant, non-arm's length blockchain and smart contract technology license agreement (the "License"), with Qingdao Tiande Technologies Inc., ("Tiande"). Tiande is led by world-renowned blockchain expert, Dr. Wei-Tek Tsai, who initiated the first academic laboratory dedicated to blockchain research and education in China at Beihang University's School of Computer Science and Engineering.

Under the terms of the License, Tiande has granted St-Georges an exclusive license to use Tiande's proprietary technologies, patents and know-how to develop and commercialize novel mineral commodity production chain control, tracking and trading exchanges. In consideration for the rights granted under the License, the Company shall pay to Tiande a royalty of 8% of the gross revenues derived from the Licensee.

In order to accelerate development and better accommodate future financings, the Company will assign the License to its newly formed wholly owned subsidiary, ZeU Crypto Networks Inc. ("ZeU") in consideration of 20,000,000 common shares of ZeU.

On January 14, 2018, St-Georges announced that ZeU had entered into a non-binding letter of intent ("LOI") to acquire all of the Blockchain and Smart Contract Technologies assets of Tiande, a Chinese private company.

Pursuant to the terms of the LOI, the proposed consideration for the Transaction is an aggregate amount of CND$150 million payable through the issuance of 150,000,000 common shares and 75,000,000 shares purchase warrants in the capital of ZeU. Each warrant will entitle the holder to acquire one share at a price of CND$1.00 for a period of three years following the date ZeU completes a transaction pursuant to which its common shares will either be listed on a recognized stock exchange in North America, or will be exchanged for common shares of a reporting issuer listed on a recognized stock exchange in North America.

On February 8, 2018, the Company announced that its previously announced letter of intent dated January 12, 2018 has been amended. The general terms of the LOI, which referred to Qingdao Tiande Technologies Limited instead of Qingdao, were previously announced by press release dated January 14, 2018.

In August 2018, ZeU received a termination notice, which was accompanied by a request to negotiate a new agreement. The revised financial demands by Tiande rendered the transaction commercially impossible for ZeU. ZeU has commenced the process of consulting with its legal advisors to seek full reimbursement and compensation of its expenses.

In May 2018, the Company signed an Arrangement Agreement providing for the spin-out of ZeU with the intent of listing ZeU on the Canadian Securities Exchange (“CSE”).

In July 2018, the Company obtained the final order of the Superior Count of Quebec approving the Arrangement with ZeU, and filed to obtain conditional approval from the CSE to list ZeU, the last required condition to complete the distribution of ZeU shares to the Company’s shareholders of record on August 7, 2018. The Company’s shareholders will receive approximately one share of ZeU, for every eight shares they own of the Company share.

On July 5, 2018, Zeu closed an initial tranche of its 10% unsecured convertible debentures offering for an aggregate principal amount of $5,063,692, of which $3,708,692 was subscribed in consideration of digital assets. Each convertible debenture issued will have a maturity date of July 5, 2020 and be convertible into common shares of ZeU at a price of $1.00.

ZeU has been working on a series of patents with the focus on technologies that can be quickly commercially deployed. A US Provisional Patent was filled in October titled “Biocrypt Digital Wallet”. The invention is a newly designed biometric digital wallet allowing the cold storage of cryptocurrencies. ZeU is planning to commercialize the wallet in collaboration with other influencers and plans to use alternative financing solutions to cover the pre-revenue costs of its commercialization.

ZeU aims to deploy a private blockchain and is investigating potential collaboration and integration with a major public blockchain allowing faster deployment of a complete Distributed Applications (“DAPPs”) infrastructure.

Borealis EHF

The Company wholly owned subsidiary Borealis EHF (“Borealis”). Borealis moved the focus of its platform development towards a distributed exchange structure and initiated test using EOS public blockchain in order to limit gas costs of transaction. The scenarios being studied would integrate ZeU private blockchain with EOS to reduce development time and further limit the costs per transaction while keeping the control on the smart contracts tokens issuances and the utility tokens used in the distributed platform. Limited version of the testing platform should be available for review by regulatory authorities in the planned jurisdictions of operations by the end of 2018.

QUALIFIED PERSON

The technical information disclosed in this MD&A has been reviewed and approved by Joel Scodnick, P.Geo., Vice-President, Exploration for St-Georges and a Qualified Person, as defined by National Instrument 43-101 for the *Standards of Disclosure for Mineral Projects*.

Equity transactions

On July 13, 2018, the Company issued 2,157,648 common shares on conversion of $366,800 of the Iceland debentures and interest.

On August 1, 2018, the Company issued 260,568 common shares with a fair value of $42,375 to settle debts.

During the period ended September 30, 2018, the Company issued 1,868,603 common shares for $166,236 as payment to settle debentures.

During the period ended September 30, 2018, the Company issued 14,550,960 common shares for $2,807,242 for the exercise of warrants and issued 113,000 common shares for $33,900 as warrants exercise payment to settle the former chief Financial Officer claims.

During the period ended September 30, 2018, the Company issued 450,000 common shares for $33,750 for the exercise of stock options.

During the period ended September 30, 2018, the Company recorded $590,000 in subscriptions receivable.

RESULTS OF OPERATIONS

For the year ended December 31, 2017, the Company recorded a net loss of $1,138,506 (2016 - $828,227) and had a cumulative deficit of $14,047,730 (2016 – $12,903,412). The Company had no source of operating revenues or any related operating expenditures.

SELECTED ANNUAL INFORMATION

For the years ended December 31	**2017** **$**	**2016** **$**	**2015** **$**
Revenues	-	-	-
Operating expenses	(1,012,533)	(352,267)	(137,259)
Net loss and comprehensive loss for the year	(1,138,506)	(828,227)	(12,268)
Basic and diluted loss per share	(0.02)	(0.02)	(0.01)
As at December 31		**2017** **$**	**2016** **$**
Cash and cash equivalents		779,412	988
Working capital (deficiency)		115,790	(333,156)
Exploration and evaluation assets		1,560,121	554,792
Total assets		2,374,567	595,018
Shareholders' equity		1,231,174	119,747

For the year ended December 31, 2017, the Company had no revenues.

The Company incurred a net loss and comprehensive loss for the year of $1,138,506 for the year ended December 31, 2017 compared to $828,227 for the year ended December 31, 2016. The increase in the loss is primarily due to an increase in management fees to $330,500 (2016 - $Nil) and subcontractors fees to $109,000 (2016 - $42,000) as the Company acquired new and complex projects. Interest and accretion charges increased to $244,157 (2016 - $21,259) as a result on interest bearing convertible debentures in the current year. This was somewhat offset by a reduction of impairment of exploration and evaluation assets to $Nil (2016 - $547,168). Further details are available in the analysis below.

For the year ended December 31, 2016, the Company had no revenues.

The Company incurred a net loss and comprehensive loss for the year of $828,227 for the year ended December 31, 2016 compared to $12,268 for the year ended December 31, 2015. The increase in the loss is primarily due to an increase in impairment of exploration and evaluation assets of $547,168 (2015 - $198,692) and stock-based compensation payments of $109,026 (2015 -$nil). Further details are available in the analysis below.

On July 15, 2016, last amended on October 7, 2016, the Company entered into an Option Agreement with Lepidco Ltd. (formerly Platypus Minerals Ltd.) (“Lepidco”) detailing the key commercial terms to jointly acquire up to a 100% interest in the Le Royal Lithium Project located approximately 30 km north of the city of Val d’Or in Quebec. During the year ended December 31, 2016, the Company issued 1,500,000 shares towards the acquisition.

On November 16, 2016, the Company entered into a Binding Term Sheet with Iceland Resources EHF (“Iceland Resources”), a junior mining exploration company incorporated under the laws of the Republic of Iceland, with a focus on the Scandinavian region.

Expenses

For the years ended December 31, 2017 and 2016.

For the years ended December 31	**2017** **$**	**2016** **$**
Consulting	76,221	77,825
Professional fees	45,738	1,640
Subcontractors	109,000	42,000
Publicity and promotion	78,635	62,792
Management fees	330,500	-
Office expenses	8,682	4,768
Brokerage fees	28,670	18,760
Travel expenses	52,556	4,821
Financial fees and bank charges	493	9,376
Interest on Convertible Debentures	244,157	21,259
Stock based compensation	37,881	109,026
Impairment of exploration and evaluation assets	-	547,168
Loss on debt settlement	112,323	-
Write off of accounts payable	-	(71,208)
Other income – write off of liability	(24,174)	-
Other expenses	43,636	-
Gain on foreign exchange	(5,812)	-
Loss and comprehensive loss	1,138,506	828,227

Impairment charge on Exploration and Evaluation Assets

In the prior year, the Company evaluated its Exploration and Evaluation Assets and determined that there were indicators of impairment. As a result, the Company recorded an impairment charge in 2016 of $547,168 for the Company’s Julie Project and was based on the determination that insufficient work was being completed to maintain all of the mining claims.

No impairment was determined to be required in fiscal 2017.

SUMMARY OF QUARTERLY RESULTS

The following table outlines selected unaudited financial information of the Company for the last eight quarters.

	Sep.30, 2018	*Jun.30, 2018*	*Mar. 31, 2018*	*Dec. 31, 2017*
Total assets	5,354,653	3,909,839	3,438,516	2,374,567
Working capital (deficiency)	2,420,730	25,184	120,266	150,784
Shareholders' equity (deficiency)	(287,924)	2,279,881	1,963,530	1,231,174
Revenue	-	-	-	-
Net loss	(3,683,588)	(1,689,759)	(547,681)	(519,953)
Net loss per share	(0.03)	(0.02)	(0.01)	(0.01)
	Sep. 30, 2017	*Jun. 30, 2017*	*Mar. 31, 2017*	*Dec. 31, 2016*
Total assets	851,642	934,044	593,189	595,018
Working capital (deficiency)	(618,464)	(492,601)	(581,882)	(333,156)
Shareholders' equity	(280,377)	(132,880)	(132,000)	119,747
Revenue	-	-	-	-
Net loss	(145,032)	(221,774)	(251,747)	(423,303)
Net loss per share	(0.01)	(0.00)	(0.01)	(0.01)

THREE MONTHS ENDED SEPTEMBER 30, 2018

For the three months ended September 30, 2018 and 2017, the Company had no revenues.

The Company incurred net losses for the period of $3,683,588 (2017 - $145,032). The increase in loss is primarily due to the recording of an unrealized loss in digital assets of $2,791,801 (2017 – Nil) due to a general market decrease in the value of such assets. An increase in consulting fees to $255,050 (2017 - $58,500) and management fees to $90,500 (2017 - $48,750), was a result of increased requirements due to more complex projects and subsidiary companies in the current period. Professional fees increased significantly to $239,561 (2017 - $4,000) as a result of planned spin-off of ZeU. Publicity and promotions also increased to $144,128 (2017 - $313) as a result of the Company's efforts to raise capital and increase awareness of its new projects.

NINE MONTHS ENDED SEPTEMBER 30, 2018

For the nine months ended September 30, 2018 and 2017, the Company had no revenues.

The Company incurred net losses for the period of $5,921,028 (2017 - $621,018). The increase in loss is primarily due to the recording of an unrealized loss in digital assets of $2,791,801 (2017 – Nil) due to a general market decrease in the value of such assets. Consulting fees of $426,450 (2017 - $171,721) and management fees of $464,500 (2017- $290,750) was a result of increased requirements due to more complex projects and subsidiary companies in the current period. Professional fees increased to $343,986 (2017 - $16,466) as well as travel expenses to $129,028 (2017 - $45,331) as a result of the Company's new projects and the proposed spin-off of ZeU. Stock-based compensation also increased in the period to $1,206,202 (2017 - $34,247) as a result of recording the fair value of stock options issued.

LIQUIDITY AND CASH FLOW

At September 30, 2018, the Company had cash of $806,104 (December 31, 2017 - $717,198) and working capital of $2,420,730 (December 31, 2017 – $115,790).

For the period ended September 30, 2018 significant cash flows were as follows:

Net cash used in operating activities for the period was $4,104,024. Net loss for the period of $5,921,029 included non-cash stock-based compensation of $1,206,202 and loss on digital assets of $2,791,801. Net changes in working capital items were $2,290,582, primarily including increases in digital assets, receivables and prepaid expenses. Substantial costs were incurred for the planned spin-out of the Company's subsidiary, ZeU, which have not been capitalized in the financial statements.

Net cash used in investing activities for the period was $653,556 towards acquisition and exploration costs on the various projects.

Net cash provided by financing activities for the period was $4,846,486 The Company received net funds of $3,195,727 from share issuances for the exercise of options and warrants and cash of $1,650,759 from the issuance of convertible debentures in ZeU.

From January to September 2018, the company had the following share capital activity:

- Exercised 3,950,000 warrants at a price of $0.06 for gross proceeds of $237,000;
- Exercised 2,379,332 warrants at a price of $0.075 for gross proceeds of $178,450;
- Exercised 150,000 warrants at a price of $0.10 for gross proceeds of $15,000;
- Exercised 250,000 warrants at a price of $0.15 for gross proceeds of $37,500;
- Exercised 7,821,628 warrants at a price of $0.30 for gross proceeds of $2,346,488;
- Exercised 113,000 warrants at a price of $0.30 for $33,900 as payment to settle the former chief Financial Officer claims;
- Exercised 450,000 stock options at a price of $0.075 for gross proceeds of $33,750;
- Issued 1,868,603 common shares on conversion of $40,000 face value plus $2,452 accrued interest of the 2017 Debentures and $115,000 face value of the 2013 Debentures;
- Issued 2,157,648 common shares on conversion of $366,800 of the Iceland debentures and interest; and
- Issued 260,568 common shares with a fair value of $42,375 to settle debts.

FINANCIAL RISK MANAGEMENT AND FINANCIAL ESTIMATES

Financial Risk

The primary goals of the Company's financial risk management are to ensure that the outcomes of activities involving elements of risk are consistent with the Company's objectives and risk tolerance, and to maintain an appropriate risk/reward balance while protecting the Company's balance sheet from events that have the potential to materially impair its financial strength. Balancing risk and reward is achieved through aligning risk appetite with business strategy, diversifying risk, pricing appropriately for risk, mitigating risks through preventive controls and transferring risk to third parties.

The Company's exposure to potential loss from financial instruments is primarily due to various market risks, including interest rate, liquidity and credit risk. There has been no change in the financial risk of the Company during the period.

Market Risk

Market risk is the risk of loss arising from adverse changes to market rates and prices, such as interest rates, equity market fluctuations, foreign currency exchanges rates, and other relevant market rate or price changes. Market risk is directly influenced by the volatility and liquidity in the markets in which the related underlying assets are traded. Below is a discussion of the Company's primary market risk exposures and how those exposures are currently managed.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash flow commitments associated with financial instruments. The purpose of liquidity management is to ensure that there is sufficient cash to meet all financial commitments and obligations as they fall due. To manage cash flow requirements, the Company may have to issue additional common shares or conclude private investments.

As at September 30, 2018, the Company has current liabilities and accrued liabilities of $655,273 due within 12 months and has cash and cash equivalents of $806,104 to meet its current obligations. As a result, the Company faces liquidity risk as it expends funds towards its projects.

Credit Risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. The Company's credit risk is due mainly to its other receivables.

The Company's statement of financial position is presented net of any allowance for doubtful advances established on a case by case basis. This amount best represents the Company's maximum exposure to any potential credit risk. As of September 30, 2018, the allowance for doubtful advances was $Nil (2016 -$Nil).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market-interest rates. The Company's convertible debentures fixes interest at 6% per annum and accordingly is not subject to cash flow interest rate risk due to changes in the market rate of interest. The Company does not use financial derivatives to reduce its exposure to risk. The management of the Company considers its interest rate risk is minimal.

Fair Value Measurement

Fair value is the amount at which a financial instrument could be exchanged between willing parties, based on current markets for instruments with the same risk, principal and remaining maturity. Fair value estimates are based on present value and other valuation techniques using rates that reflect those that the Company could currently obtain, on the market, for financial instruments with similar terms, conditions and maturities.

The carrying amount and fair value of financial instruments, with the exception of the secured debenture, are considered to be a reasonable approximation of fair value because of their short-term maturities.

The carrying values of the convertible debentures approximate its fair value at the reporting date because the convertible debentures was calculated by discounting future cash flows using rates that the Company would otherwise use for such debt with similar terms, conditions and maturity dates, adjusted for the Company's credit risk. Management believes that no significant change occurred in the risk of these instruments.

CAPITAL MANAGEMENT

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. As at September 30, 2018, the Company's shareholders' deficiency was $287,924 (December 31, 2017 – $1,231,174 equity). The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels. To meet these objectives, management monitors the Company's capital requirements against unrestricted net working capital and assesses additional capital requirements on specific business opportunities on a case-by-case basis.

Capital for expansion comes mostly from proceeds from the issuance of common shares. The net proceeds raised will only be sufficient for a certain amount of exploration and development work on its properties, and for working capital purposes. Additional funds are required to finance the Company's corporate objectives. There was no change in the Company's capital management policy for the period ended September 30, 2018.

The Company is not currently exposed to any externally imposed capital requirements.

RELATED PARTY TRANSACTIONS

a) Related party transactions

During the period, the Company incurred the following transactions with related parties not disclosed elsewhere in the financial statements:

	Sep. 30, 2018	Sep.30, 2017
	- $ -	- $ -
Management or Administration fees paid or accrued to directors or companies controlled by directors or officers [1, 2,3,4,5,6,7,8,9]	422,750	215,000
Bonuses paid or accrued to directors or officers [1, 2,3,4,5,6,7,8,9]	203,000	144,500

[1] Frank Dumas, President, Director and CEO
[2] Mark Billings, Chairman, Director
[3] Neha Tally, Corporate Secretary
[4] Enrico Di Cesare, Director
[5] Richard Barnett, CFO
[6] Wei-Tek Tsai, Director
[7] Joel Scodnick, Qualified Person
[8] Herb Duerr, Director
[9] Gary Johnson, Director

These amounts will be settled by either cash payments or issuing securities.

b) Due to Related Parties

At September 30, 2018, included in accounts payable and accrued liabilities is $179,677 (December 31, 2017 - $284,078) owing to related parties.

These amounts are non-interest bearing, unsecured and have no fixed terms of repayment.

c) Stock Options Granted

On April 19, 2018, the Company granted 4,350,000 stock options to the key management to acquire common shares of the Company at an exercise price of $0.80 per share, expiring on April 19, 2023.

Outstanding Share Data

As at September 30, 2018 and at the current date, the Company has 109,399,378 shares outstanding.

RISK FACTORS

Exploration

Exploration and mining involve a high degree of risk. Few exploration properties end up going into production. Other risks related to exploration and mining activities include unusual or unforeseen formations, fire, power failures, labour disputes, flooding, explosions, cave-ins, landslides and shortages of adequate or appropriate manpower, machinery or equipment.

The development of a resource property is subject to many factors, including the cost of mining, variations in the quality of the material mined, fluctuations in the commodity and currency markets, the cost of processing equipment and others, such as aboriginal claims and government regulations, including regulations regarding royalties, authorized production, import and export of natural resources and environmental protection. Depending on the price of the natural resource produced, the Company may decide not to undertake or continue commercial production.

There can be no assurance that the expenses incurred by the Company to explore its properties will result in the discovery of a commercial quantity of ore. Most exploration projects do not result in the discovery of commercially viable mineral deposits.

Environmental and Other Regulations

Current and future environmental laws, regulations and measures could entail unforeseeable additional costs, capital expenditures, restrictions or delays in the Company's activities. Environmental regulations and standards are subject to constant revision and could be substantially tightened, which could have a serious impact on the Company and its ability to develop its properties economically. Before it commences mining a property, the Company must obtain environmental permits and the approval of the regulatory authorities. There is no assurance that these permits and approvals will be obtained, or that they will be obtained in a timely manner. The cost of complying with government regulations may also impact the viability of an operation or altogether prevent the economic development of a property.

Financing and Development

The Company does not presently have sufficient financial resources to undertake its planned exploration and development programs. Development of the Company's properties therefore depends on its ability to raise the additional funds required. There can be no assurance that the Company will succeed in obtaining the funding required. The Company also has limited experience in developing resource properties, and its ability to do so depends on the use of appropriately skilled personnel or signature of agreements with other large resource companies that can provide the required expertise.

Commodity Prices

The factors that influence the market value of platinum, palladium, rhodium, copper, cobalt, nickel, carbon graphite and any other mineral discovered are outside the Company's control. The impact of these factors cannot be accurately predicted. Resource prices can fluctuate widely and have done so in recent years.

Risks Not Covered by Insurance

The Company may become subject to claims arising from cave-ins, pollution or other risks against which it cannot insure itself due to the high cost of premiums or other reasons. Payment of such claims would decrease and could eliminate the funds available for exploration and mining activities.

signed “"Vilhjalmur Thor Vilhjalmsson”
President and Chief Executive Officer

signed “Richard Barnett”
Chief Financial Officer