PELOTON MINERALS CORPORATION
Management's Discussion and Analysis
Period Ended September 30, 2018
Dated November 29, 2018
(Form 51-102F1)

This Management Discussion and Analysis ("MD&A") of Peloton Minerals Corporation *(the "Company") is provided for the purpose of reviewing the three and nine months ended September 30, 2018 and comparing results to the three and nine months ended September 30, 2017. The MD&A was prepared as of November 29, 2018 and should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements and corresponding notes for the three and nine months ended September 30, 2018 and 2017 as well as the audited consolidated financial statements for the year ended December 31, 2017. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards appropriate in the circumstances. All monetary amounts are expressed in United States dollars unless otherwise indicated.*

Additional information related to the Company is available for view on SEDAR at www.sedar.com and at the Company's website located at www.pelotonminerals.com.

DESCRIPTION OF THE BUSINESS

The Company is a mineral exploration company focused on the acquisition and exploration of mineral resource properties, primarily gold and silver prospects in the in the US States of Nevada and Montana, and the Province of Ontario, Canada.

The Company is a reporting issuer in the Province of Ontario and its common shares trade on the Canadian Securities Exchange ("CSE") under the symbol PMC, and on the OTC QB Market in the United States under the trading symbol PMCCF.

CORPORATE ACTIVITIES

Independence Valley Project, Elko County, Nevada, USA

A number of geological and geophysical programs were conducted on the Independence Valley Project ("Independence Valley") with the aim of designing and budgeting a 2019 drill program pursuant to an Exploration Agreement with a joint Venture Option (the "Agreement") on Independence Valley between Kinross Gold USA Inc. and the Company's wholly owned US subsidiary, Celerity Subsidiary Corporation. The exploration activity included:

1. Geologic mapping on a scale of 1:5,000 to enhance previous Peloton geologic mapping done on a 1:24,000 scale. This data is presently being integrated into GIS (Geographic Information System) applications.

2. A total of 231 gravity stations have been completed over Independence Valley at 200m x 200m intervals with spacing tightened to 200m x 100m over certain structures. (A Gravity survey is an indirect (surface) means of calculating the density property of subsurface materials. The higher the gravity values, the denser the rock beneath.)

3. A total of 219 soil samples collected for geochemical analysis over the Independence Valley and including all exposures of Tertiary volcanic rocks at 200m x 100m intervals.

4. A CSAMT (Controlled Source Audio-frequency Magnetotelluric) Geophysical Survey was contracted for completion this fall covering a total of 18 line-kilometers (6 lines x 3km).

On November 1, 2018, the Company signed an amendment to its exploration and option agreement with Kinross Gold USA Inc. ("Kinross") on the Independence Valley project. The date for Kinross to spend the first $200,000 in expenditures has been extended to October 1, 2019.

Golden Trail Project, Elko County, Nevada, USA

In November, 2018, the Company published on SEDAR and on www.pelotonminerals.com an updated NI 43-101 Technical Report (the "Report") on the Golden Trail Project, Elko County, Nevada ("Golden Trail"). Golden Trail was recently expanded from 290 acres to 880 acres following an airborne Hyperspectral imaging survey the Company flew over the Project, and the Report incorporates high aluminum illite and ammonio-illite alteration anomalies identified through the Hyperspectral survey that are coincident with untested gravity and magnetic anomalies centered on a north-west trending zone of gold mineralization, thermal metamorphism, veining, and hydrothermal/metasomatic alteration.

Golden Trail is located about 80 kilometers north of Newmont's Long Canyon Project and on the northeastern margin of the recently identified Long Canyon Gold Trend in northeastern Nevada.

The Hyperspectral airborne survey was conducted over and around Golden Trail using visible to near infrared (VNIR) and shortwave infrared (SWIR) spectral range to identify aluminum illite and ammonio-illite alteration which can be associated with Carlin style deposits. The survey identified a north-west trending zone dominated by the hydrothermal alteration minerals medium to high aluminum illite and ammonio-illite. This trend parallels a break in gradient along the southwestern boundary of a strong gravity anomaly underlying the Project (about 8 mGals) and the north-west trending gold mineralization at surface.

The Report recommends that the aluminum illite and ammonio-illite zones be mapped at outcrop scale to identify prospective structural environments that have proven important to exploration at the Long Canyon gold deposit (Smith and others, 2013) and these identified structural environments prospected by IP (Induced Polarization) or CSAMT (Controlled Source Audio-frequency Magneto telluric) geophysics and drilling of defined exploration targets.

Texas Canyon Project, Elko County, Nevada, USA

On the Texas Canyon Project, located about 8 kilometers north-west of Golden Trail, aluminum illite and ammonio-illite alteration was also identified in this area through the Peloton Hyperspectral airborne survey. This data is being compiled with other data the Company has on Texas Canyon including geologic mapping, soil geochemistry, rock-chip sampling, radiometric and magnetometer geophysics.

Private Placement

During July, 2018, the Company closed a private placement and issued 1,160,000 units at $0.10 CDN per unit for proceeds of $116,000 CDN ($88,767 USD). Each unit consists of one common share and one share purchase warrant exercisable for three years. Each warrant entitles the holder to purchase one share at a price of $0.15 CDN up to July 17, 2021.

OVERALL PERFORMANCE

The Company's financial condition has changed over the nine months ended September 30, 2018 with the working capital deficiency increasing by $109,088 from ($267,031) at December 31, 2017 to ($376,119) at September 30, 2018. The Company's financial condition has weakened over the three months ended September 30, 2018, with the working capital deficiency increasing by $85,932 from ($290,187) at June 30, 2018 to ($376,119) at September 30, 2018.

SUBSEQUENT EVENTS

Refer to the Corporate Activities section above.

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2018 (COMPARED WITH THREE MONTHS ENDED SEPTEMBER 30, 2017)

For the three months ended September 30, 2018 and September 30, 2017, the Company had no revenue. Exploration and claim maintenance expenses for the three months ended September 30, 2018 were $22,472 compared to $17,954 during the three months ended September 30, 2017.

Expenses incurred during the three months ended September 30, 2018 (compared to expenses incurred during the three months ended September 30, 2017) consisted of:
i.Office and administrative costs of $97,054 (2017 - $125,350);
ii.Professional Fees of $11,177 (2017 - $13,919);
iii.Loss on foreign exchange of $4,714 (2017 - $10,216);
iv.Stock-based compensation of $Nil (2017 – Nil);
v.Depreciation of $2,270 (2016 – $2,270);
vi.Gain on revaluation of foreign currency warrants of $504,971 (2017 Loss - $562,107);
vii.Gain on revaluation of derivative liability of $56,627 (2017 - loss $56,983); and
viii.Accretion expense of $3,387 (2017 - $2,625).

There were considerable changes in some line items between the three months ended September 30, 2018 and September 30, 2017. The changes from revaluation of foreign currency warrants and derivative liability are book entries resulting from fluctuations in currency and stock price, and can swing considerably from quarter to quarter. There is no effect on the company's cash position.

RESULTS OF OPERATIONS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018 (COMPARED WITH NINE MONTHS ENDED SEPTEMBER 30, 2017)

For the nine months ended September 30, 2018 and September 30, 2017, the Company had no revenue. Exploration and claim maintenance expenses for the nine months ended September 30, 2018 were $74,097 compared to $20,163 during the nine months ended September 30, 2017.

Expenses incurred during the nine months ended September 30, 2018 (compared to expenses incurred during the nine months ended September 30, 2017) consisted of:
i.Office and administrative costs of $285,208 (2017 - $279,539);
ii.Professional Fees of $31,576 (2017 - $43,256);
iii.Gain on foreign exchange of $3,862 (2017 Loss - $16,797);
iv.Stock-based compensation of $65,578 (2017 – $157,193);
v.Depreciation of $6,810 (2017 – $6,810);
vi.Gain on revaluation of foreign currency warrants of $496,331) (2017 - Loss of $418,355);
vii.Gain on revaluation of derivative liability of $26,427 (2017 – gain of $14,722);
viii.Accretion expense of $9,548 (2017 - $7,398); and
ix. Fair value of warrants extended of $109,292 (2017 – Nil).

There were considerable changes in some line items between the nine months ended September 30, 2018 and September 30, 2017. The changes from revaluation of foreign currency warrants and derivative liability are book entries resulting from fluctuations in currency and stock price, and can swing considerably from quarter to quarter. There is no effect on the company's cash position. The expense of stock-based compensation results from the grant of incentive stock options during the period and does not affect the Company's cash position.

Total assets as at September 30, 2018 were $204,665 (Dec. 31, 2017 - $285,263) and consisted of cash $96,951 (Dec. 31, 2017 - $172,600), HST receivable of $19,240 (Dec. 31, 2017 - $14,424) prepaid expenses of $3,045 (Dec. 31, 2017 - $8,017), equipment $70,369 (Dec. 31, 2017 - $77,179) and reclamation bonds of $15,060 (Dec. 31, 2017 - $13,043).

Total current liabilities as at September 30, 2018 were $495,355 (Dec. 31, 2017 - $462,072) consisting of trade payables of $24,010 (December 31, 2017 - $37,911), amounts due to directors and officers of $468,410 (Dec. 31, 2017 - $397,459), audit and accountant fees owed of $2,935 (Dec. 31, 2017 - $26,703).

The Company's long-term financial liabilities at September 30, 2018 were $1,275,312 (Dec. 31, 2017 - $1,734,189) consisting of a convertible debenture of $54,839 (Dec. 31, 2017 - $45,291), a derivative liability of $132,222 (Dec. 31, 2017 - $158,649) and warrants denominated in a foreign currency of $592,896 (Dec. 31, 2017 - $1,065,985). The liabilities for foreign currency warrants and derivative liability are book entries and can swing considerably from quarter to quarter. There is no effect on the Company's cash position.

The Company has no sales and has never earned revenues with the exception of non-material interest revenue. Raising capital through sales of its common shares funds the Company's exploration operations.

Summary of Quarterly Results

Description	Sep 30/18	June 30/18	Mar 31/18	Dec 31/17	Sep 30/17	June 30/17	Mar 31/17	Dec 31/16
	$	$	$	$	$	$	$	$
Sales/Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Income/(Loss)	420,524	(252,657)	(423,565)	217,189	(791,424)	(464,968)	212,311	19,142
Net Income/(Loss) Per share – Basic & Diluted	0.001	(0.004)	(.006)	.004	(.012)	(.008)	.003	.0004

LIQUIDITY

As at September 30, 2018, the Company had cash in the amount of $96,951 (September 30, 2017 - $180,919) and current liabilities of $495,355 (September 30, 2017 - $427,582). As at September 30, 2018, the Company had a working capital deficiency of $376,119 (September 30, 2017 – deficiency $235,279). Included in this amount is $468,410 owing to directors of the Company for management and director fees. As a result, the Company has liquidity risk and is dependent on raising capital.

CAPITAL RESOURCES

For its long-term business objectives, the Company will require funds for ongoing exploration work on its Silver Bell – St. Lawrence Property in Montana, its Golden Trail Property, Independence Valley Property and Texas Canyon Property in Nevada and its River Stage Property in Ontario, to work on any other mineral projects that it acquires, as well as to meet its ongoing day-to-day operating requirements and will have to continue to rely on equity and debt financing during such period. There can be no assurance that financing, whether debt or equity, will be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to the Company. The Company does not have any other commitments for material capital expenditures over either the near or long term, and none are presently contemplated other than as disclosed above and/or over normal operating requirements.

The Company is not in default of its obligations on any of its mineral properties at this time.

OFF BALANCE SHEET ARRANGEMENTS

At November 29, 2018, the Company had no off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

TRANSACTIONS WITH RELATED PARTIES

Related parties include the Officers, Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

Management and director fees in the amount of $199,762 were incurred in the period ended September 30, 2018. This amount was included in office and administrative costs in the consolidated statements of loss and comprehensive loss, however the amounts were accrued since the directors did not wish to divert the limited available funds from the advancement of the mineral projects.

PROPOSED TRANSACTIONS

There are no transactions proposed at this time other than as disclosed herein.

ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

Accounting Policies

The Company prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Committee.

The significant accounting policies of the Company are summarized in Note 2 to the Company's audited financial statements for the year ended December 31, 2017.

Critical Accounting Estimates

The Critical Accounting Estimates of the Company are discussed in Note 2 to the Company's audited financial statements for the year ended December 31, 2017.

Financial Instruments

The Financial Instruments of the Company are discussed in Note 2 to the Company's audited financial statements for the year ended December 31, 2017.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's: (a) capitalized or expensed exploration and development costs; (b) expensed research and development costs; (c) deferred development costs; (d) general and administrative expenses; and (e) any material costs, whether expensed or recognized as assets, not already referred to in this MD&A is provided in the Company's Condensed Interim Consolidated Financial Statements and its Audited Consolidated Financial Statements for the year ended December 31, 2017, which can be accessed on SEDAR under the Company's profile page at www.sedar.com.

DISCLOSURE OF OUTSTANDING SHARE DATA

The Company's authorized share capital consists of unlimited common shares without par value.

Issued and outstanding: September 30, 2018 – 76,242,950;
Issued and outstanding: November 29, 2018 (date of this report) – 76,242,950

Warrants outstanding: September 30, 2018 – 39,840,570
Warrants outstanding: November 29, 2018 – 39,840,570
The warrants expire between December 2018 and July 2021 and have a weighted average exercise price of CDN $0.0999 per share.

Options outstanding: September 30, 2018 – 5,700,000
Options outstanding: November 29, 2018 – 5,700,000
The options expire between May 2019 and May 2023 and have a weighted average exercise price of CDN $0.0947 per share.

Dividend Policy

No dividends have been paid on any shares of the Company since the date of its incorporation, and it is not contemplated that any dividends will be paid in the immediate or foreseeable future.

Controls and Procedures

Management is responsible for the design of internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the consolidated financial statements in accordance with International Financial Reporting Standards. Based on a review of its internal control procedures at the end of the period covered by this MD&A, management believes its internal controls and procedures, for the nature and size of the entity, are effective in providing reasonable assurance that financial information is recorded, processed, summarized and reported in a timely manner.

Management is also responsible for the design and effectiveness of disclosure controls and procedures to provide reasonable assurance that material information related to the Company, is made known to the Company's certifying officers. Management has evaluated the effectiveness of the Company's disclosure controls and procedures and has concluded that these controls and procedures are effective, for the nature and size of the entity, in providing reasonable assurance that material information relating to the Company is made known to them by others within the Company.

Litigation

The Company is not a party to any litigation.

Risks Associated with Exploration and Mining Operations

The exploration of mineral properties involves a high degree of risk which cannot be avoided despite the experience, knowledge and careful evaluation of prospective properties by management. There can be no assurance commercial quantities of ore will be discovered on the Company's mineral properties. Even if such commercial quantities are subsequently discovered by the Company's exploration efforts, there can be no assurance such properties can be brought in to commercial production. Operations may be subject to disruption due to weather conditions, labour unrest or other causes beyond the control of the Company. Hazards such as unexpected formations, pressures, flooding, or other conditions over which the Company does not have control may be encountered and may adversely affect the Company's operations and financial results.

Environmental Risks

Environmental legislation is continuing to evolve such as will require strict standards and enforcement, increased fines and penalties for non-compliance, more stringent assessment of proposed projects and a greater degree of corporate responsibility. There can be no assurance that current requirements and future changes to environmental legislation may not adversely affect the Company's operations.

Mineral Market

The market for minerals is subject to factors beyond the Company's control, such as market price fluctuation, currency fluctuation and government regulation. The effect of such factors cannot be accurately calculated. The existence of any or all such factors may restrict the access to a market, if same exists, for the sale of commercial ore which may be discovered.

Funding Requirements

In order to move forward with its exploration activities, the Company will require additional funding. There can be no guarantee that such funds will be available as and when required or, if available, be accessible on reasonable commercial terms.

Reliance on Management

The Company anticipates that it will be heavily reliant upon the experience and expertise of management with respect to the further development of the mineral properties. The loss of any one of their services or their inability to devote the time required to effectively manage the affairs of the Company could materially adversely affect the Company.

Auditors, Transfer Agent and Registrar

The auditors of the Company are RSM Canada LLP, of Toronto, Ontario. The Transfer Agent and Registrar for the Common Shares of the Company is TSX Trust in Toronto, Ontario.

Forward Looking Statements

Certain statements contained in this document constitute "forward-looking statements". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", "forecast", "estimate", "expect" and similar expressions used by any of the Company's management, are intended to identify forward-looking statements. Such statements reflect the Company's internal projections, expectations, future growth, performance and business prospects and opportunities and are based on information currently available to the Company. Since they relate to the Company's current views with respect to future events, they are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments except as required by law or by CSE policies.