PELOTON MINERALS CORPORATION
Management's Discussion and Analysis
Year Ended December 31, 2018
Dated April 30, 2019
(Form 51-102F1)

This Management Discussion and Analysis ("MD&A") of *Peloton Minerals Corporation (the "Company") is provided for the purpose of reviewing the fiscal year ended December 31, 2018 and comparing results to the previous fiscal year. The MD&A was prepared as of April 30, 2019 and should be read in conjunction with the Company's audited consolidated financial statements and corresponding notes for the years ended December 31, 2018 and 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 province of Ontario, Canada and in the states of Montana and Nevada, USA.

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

MINERAL PROJECTS

INDEPENDENCE VALLEY, Elko County, Nevada

In April, 2018 the Company and Kinross Gold USA Inc. ("Kinross") signed an Exploration Agreement with a Joint Venture Option (the "Agreement") on the Company's Independence Valley Project (the "Project" or "Independence Valley") including an area of interest established around the Project which is located in Elko County, Nevada. Under the Agreement, Kinross may earn up to a 75% interest in the Project by spending a total of US$4,000,000 in exploration expenditures within six years.

Independence Valley comprises a 1,160 acre claim package located in Elko County, Nevada and about 29 miles south of Newmont's Long Canyon Project. Independence Valley is also within the historical Spruce Mountain mining district which hosted many base and precious metals mines since the 1840's. The Spruce Mountain deposits are typically associated with rhyolitic and granitic intrusive rocks which intrude structural feeders**.** Independence Valley hosts the largest untested rhyolite dome in the Spruce Mountain Mining District.

Kinross may first earn a 51% interest in the Project by spending US$2,500,000 in exploration expenditures within four years with a minimum of $200,000 in expenditure during the first year. Kinross may earn a further 24% interest in the Project by spending an additional US$1,500,000 in exploration expenditures over a two-year period following the establishment of the first 51% interest, for a total of US$4,000,000 to earn a 75% interest. After Kinross has earned either a 51% or a 75% interest, as the case may be, a mining venture or mining company may be formed with respect to the Project, and Kinross and Peloton will contribute their respective share of further exploration and development expenditures. In the event that either party's interest is diluted to ten percent (10.0%) or less, it shall relinquish its interest to the other party, in return for a royalty agreement that conveys to the diluting party a royalty of two percent (2.0%) of net smelter returns on all minerals thereafter produced and removed from the Property. The non-diluting party may, at any time, buy-down that royalty by one percent (1.0%), so that the total royalty is one percent (1.0%) of net smelter returns, by paying US$1,000,000.00 to the royalty holder.

Kinross conducted a number of programs during 2018 in order to design a 2019 drill program including the following:

1. Geologic mapping was completed on a scale of 1:5,000 to enhance previous Peloton geologic mapping done on a 1:24,000 scale.
2. A total of 231 gravity stations were completed over the Project 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 were collected for geochemical analysis over the Project and including all exposures of Tertiary volcanic rocks at 200m x 100m intervals.
4. A CSAMT (Controlled Source Audio-frequency Magnetotelluric) Geophysical Survey was completed covering a total of 18 line-kilometers (6 lines x 3km) over the Project.

GOLDEN TRAIL PROJECT, Elko County, Nevada

Golden Trail is situated on the Long Canyon Gold Trend in north eastern Nevada, about 50 miles north of the Newmont Long Canyon Project acquired in 2011 by Newmont through a $2.3 Billion take-over of Fronteer Gold.

Golden Trail is 100% owned, with no royalties outstanding, and is comprised of an 890 acre claim package. Extensive surface exploration has identified Carlin style alteration and many geologic similarities to Long Canyon.

The largest identified gold vein at surface, the Golden Trail Vein (“GTV”), is over 1,200 meters long and has an associated alteration zone that averages 30 meters wide. Over 900 grab samples have been taken along the GTV assaying from anomalous to 28 grams gold. Continuous 5-foot trench samples returned 13.7 grams gold with 36.2 grams silver in one 5-foot trench, and 3.49 grams gold with 105 grams silver in a second 5-foot trench.

Mineralization at the Golden Trail Project is similar in geologic setting, host rock lithology, alteration and gangue mineralogy, and geochemistry to sedimentary rock-hosted gold deposits and especially gold mineralization typical of eastern Nevada, including the Carlin-type Long Canyon gold deposit in the Pequop Mountains.

The Company has published on SEDAR and on www.pelotonminerals.com an updated NI 43-101 Technical Report (the “Report”) on the Golden Trail Project, and this Report incorporates high aluminum illite and ammonio-illite alteration anomalies identified through an airborne 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 was a featured new project at the 2015 Geologic Society of Nevada (GSN) Symposium.

Permitting: Golden Trail has a drilling permit in place, issued by the Bureau of Land Management. This permit is valid until January 31, 2020 and application to extend may be made at that time.

TEXAS CANYON, Elko County, Nevada

Texas Canyon was staked in February, 2018 following a hyperspectral airborne survey conducted by the Company over a 20,000-acre area in Elko County, Nevada. Aluminum illite and ammonio-illite alteration was also identified in the Texas Canyon 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.

Texas Canyon is situated on the Long Canyon Gold Trend in north eastern Nevada and is about four miles west of the Company's Golden Trail Project, about 60 miles north of Newmont's Long Canyon Project which was acquired in 2011 by Newmont through a $2.3 Billion take-over of Fronteer Gold.

Texas Canyon is comprised of a 720 acre claim package and is a Carlin style gold target. Company geologists are presently combining the hyperspectral data over Texas Canyon with other data the Company has on the property and area.

SILVER BELL & ST. LAWRENCE, Virginia City Mining District, Montana

The Silver Bell & St. Lawrence Project ("SBSL") comprises one (1) patented mining claim and twenty-four (24) unpatented mining claims covering approximately 390 acres. SBSL is located about four miles southwest of the town of Virginia City, Montana, in Madison County, and about 50 miles southeast of Butte, Montana. Year-round access is available by a public road running off of paved Montana Highway 287. Electrical power extends to within approximately 2 miles of the property.

In March, 2019 the Company, through its wholly-owned subsidiary SBSL Subsidiary Corporation, and Frederick Private Equity Corporation ("Frederick PEC") signed an Exploration Agreement with a joint Venture Option (the "Agreement") on the Company's Silver Bell – St. Lawrence Gold Project (the "Project" or "SBSL") including an area of interest established around the Project which is located in the Virginia City Mining District, Montana. Under the Agreement, Frederick PEC may earn up to a 75% interest in the Project by spending a total of US$2,000,000 in exploration within six years and make annual option payments.

Frederick PEC may first earn a 51% interest in the Project by making annual US$10,000 option payments and spending US$1,000,000 in exploration within four years with a minimum of $200,000 in expenditure during the first two years. Frederick PEC may earn a further 24% interest in the Project by then making annual US$25,000 option payments and spending an additional US$1,000,000 in exploration about 4 miles west of the Company's Golden Trail Project over a two-year period following the establishment of the first 51% interest, for a total of US$2,000,000 to earn a 75% interest. After Frederick PEC has earned either a 51% or a 75% interest, as the case may be, a mining venture or mining company may be formed with respect to the Project, and Frederick PEC and Peloton will contribute their respective share of further exploration and development expenditures. In the event that either party's interest is diluted to ten percent (10.0%) or less, it shall relinquish its interest to the other party, in return for a royalty agreement that conveys to the diluting party a royalty of one percent (1.0%) of net smelter returns on all minerals thereafter produced and removed from the Project. The non-diluting party may, at any time, buy-down that royalty by one-half percent (0.05%), so that the total royalty is one-half percent (0.05%) of net smelter returns, by paying US$250,000 to the royalty holder. The Project is subject to an earlier outstanding 2% NSR, the majority of which can be bought down to one percent (1%), and a buy down option on the remaining claims is being sought.

SBSL hosts two past-producing gold-silver mines, the Silver Bell Mine and the St. Lawrence Mine. Both mines operated in the early 1900s and the St. Lawrence was reactivated in the early 1980s. Historical production records are incomplete but available information suggests that historical production at the St. Lawrence was approximately 0.22 opt gold and 3.8 opt silver. Smelter receipts for small shipments from the St. Lawrence indicate that some ore with much higher grades was shipped. For example, a smelter receipt from October 30, 1964 states that 8.027 tons were received grading 0.76 opt gold and

20.0 opt silver. Historical production at the Silver Bell averaged approximately 0.2 opt gold and 15.1 opt silver.

The shafts for each of the former mines are located 3,600 feet apart and the exploration hypothesis is that the two mines shared mineralized systems that may in part be contiguous. Surface mapping and geophysical surveying by the Company supports this initial hypothesis and may indicate extension of the vein system farther east along strike from the St. Lawrence mine.

From a mining viewpoint, the mineralized systems could be accessed through an adit or shaft collared between the two historic workings at the two mines. Next phase diamond drilling is recommended to further test the continuity of mineralization between the two historic mines and to assist in determining the best potential approach to extraction.

The potential at depth for SBSL is noted in the NI 43-101 report completed by John F. Childs, PhD, R.Geo. in which the following was stated in the interpretation/conclusions section:

"*Based on comparisons with other vein systems in the VCMD ("Virginia City Mining District"), there appears to be adequate similarities to suggest potential for an exploitable gold and silver deposit(s) in the Silver Bell-St. Lawrence claim area. The veins in the area share similar characteristics with many of the more prolific deposits in the VCMD, including ore mineralogy, gangue type and alteration assemblages. Multiple vein systems are an important component in many of the larger mines in the area (e.g. the U.S. Grant, Kearsarge and Marietta), with the depth of production often reaching 300 to 650 feet. The historical mining activity at the Silver Bell and St. Lawrence mines never reached deeper than 200 feet. The Van der Poel (2011) VLF-R geophysical survey indicated several targets in the immediate area of the St. Lawrence and Silver Bell mines."*

Peloton President Edward (Ted) Ellwood commented*: "It is well known that our company focus is on Nevada but at the same time, in my view, we have had this significant Montana asset in our portfolio that has not received due attention. I am really pleased that we were able to bring in a partner to advance the Montana SBSL project while still enabling Peloton to keep its focus on Nevada."*

On April 26, 2019, African Metals Corporation ("AFR") announced that it had entered into an agreement with Frederick PEC whereby it may acquire initially a 51% interest in the Project from Frederick PEC. As part of that transaction, AFR has agreed to expend a minimum of US$200,000 in exploration expenditures in the first year. Those expenditures are expected to finance the initial drill program recommended by Dr. Childs.

John O'Donnell is an officer and/or director of the Company, Frederick PEC, and AFR and, as such, recused himself from the approval process of the transactions.

RIVER STAGE PROPERTY, ONTARIO, CANADA

The Company holds an "option to purchase agreement" to acquire a 100% interest in a 2,480-acre mineral claim package located in the Dash Lake and Brooks Lake areas in the central part of the Rainy River Gold Camp, Ontario, approximately 90 kilometers southeast of the Town of Kenora, Ontario. This claim package is called the "River Stage Property".

FINANCINGS

During the year, the Company closed three private placements.

1) On January 12, 2018, the Company issued 1,868,182 units at $0.055 CDN per unit for proceeds of $102,750 CDN ($82,308 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 $0.10 CDN up to January 12, 2021.

2) On July 17, 2018, the Company 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.

3) On December 6, 2018, the Company issued 1,301,225 units at CDN$0.10 per unit for proceeds of CDN$130,123 ($98,295 USD). Each unit consists of one common share and one common 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 December 6, 2021.

CORPORATE

Warrants and Options

In December, 2018 the Company modified the expiry times of certain outstanding warrants of the Company as follows:

a. 400,000 warrants exercisable at a price of CDN$0.10 until 5:00 pm on December 7, 2018 were made exercisable until 5:00 pm on December 7, 2020.

During the year, the Company granted a total of 1,500,000 incentive stock options to directors of the Company. These options are exercisable over 5 years at an exercise price of $0.10.

Corporate Activity Subsequent to the Year End

The Company has engaged German Mining Networks (“GMN”) to provide European investor relations and financing advisory services. GMN will be paid CDN$3,800 per month on a month to month basis and no stock options are being granted under this engagement.

During March, 2019 the Company completed a non-brokered private placement for gross proceeds totaling CDN$106,063 and consisting of 1,060,625 units priced at CDN$0.10 per unit. Each unit consists of one common share and one common 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 March 15, 2022.

On March 18, 2019, the Company, through its wholly owned subsidiary, SBSL Subsidiary Corporation, signed an exploration agreement with Frederick Private Equity Corporation (“Frederick PEC”) on the Silver Bell St. Lawrence Gold Project. Under the agreement, Frederick PEC may earn up to 75% interest in the Project by spending a total of US$2,000,000 in exploration expenditures within six years and making annual option payments.

The Company has modified the expiry time of certain outstanding warrants of the Company held by previous private placement investors as follows:

a. 1,450,000 warrants exercisable at a price of CDN$0.10 until 5:00 pm on April 22, 2019 are now exercisable until 5:00 pm on April 22, 2021.

OVERALL PERFORMANCE

In summary the Company’s financial condition has changed over the twelve months ended December 31, 2018. Working capital deficiency increased by $79,279 from ($267,031) at December 31, 2017 to ($350,341) at December 31, 2018. The difference is mainly attributable to changes in:

a. Administrative costs;

b. Exploration activity;
c. Revaluation of foreign currency warrants;
d. Revaluation of derivative liability;
e. Stock-based compensation.

SELECTED ANNUAL INFORMATION

The following table provides selected financial information and should be read in conjunction with the Company's Consolidated Financial Statements for each respective year.

	Year Ended Dec. 31, 2018	Year Ended Dec. 31, 2017	Year Ended Dec. 31, 2016
	$	$	$
Revenue	Nil	Nil	Nil
Income (loss) for the year	(394,059)	(717,600)	(1,507,629)
Net income (loss) per share (1)	(0.005)	(.011)	(.029)
Total assets	205,492	285,263	161,114
Long-term debt -convertible debenture	58,449	45,291	35,097
Long-term debt -derivative conversion liability - debenture	180,436	158,649	218,978
Long-term debt -derivative conversion liability – foreign currency warrants	921,244	1,065,985	749,221
Dividends per share	Nil	Nil	Nil

Notes:
(1) basic and diluted

SUBSEQUENT EVENTS

Refer to the Corporate Activities section above.

RESULTS OF OPERATIONS

For the year ended December 31, 2018 and December 31, 2017, the Company had no revenue. Exploration and claim acquisition and maintenance expenses for the year were $87,699 compared to $32,109 during the previous year.

Year ended December 31, 2018 Compared to Year ended December 31, 2017

Operating Revenues: The Company is a mineral exploration company and has no operating revenues.

The Company incurred a net loss of $394,059 for the year ended December 31, 2018, compared to the year ended December 31, 2017 loss of $717,600. Much of the 2018 loss is from items such as stock-based compensation resulting from the grant of stock options, the fluctuations in value of the foreign currency warrants, accretion expense or the revaluation of the derivative liability and has no effect on the company's cash position.

Expenses for the year ended December 31, 2018 were $655,694 an increase of $16,772 over the amount of $638,922 for the year ended December 31, 2017.

Expenses incurred during the year were:

i. Office and administrative costs of $403,864. (2017-$352,785);
ii. Professional Fees of $67,502. Includes legal and audit fees. (2017-$73,157);
iii. Exploration and evaluation expenditures were $87,699 (2017 - $32,109);
iv. $105,428 of stock-based compensation expense was recognized during the year. (2017 - $157,193);
v. Depreciation of $9,080 (2017 – $9,080);
vi. Foreign exchange gain of $17,879; (2017 – loss $14,598);
vii. Gain on revaluation of foreign currency warrants of $230,417 (2017- gain $2,959);
viii. There was a gain of $81,650 from the reversal of director fees payable; (2017 - gain $20,525)
ix. Accretion expense of $13,158 (2017 - $10,195);
x. Loss on revaluation of derivative liability $21,787 (2017 – gain $60,329);
xi. Loss on fair value of warrants extended $15,487. (2017 - $152,296).

Total assets as at the end of December 31, 2018 were $205,492 (2017 - $285,263) and consisted of cash $110,170 (2017 - $172,600), HST receivable of $5,761 (2017 - $14,424) prepaid expenses of $6,402 (2017 - $8,017), equipment $68,099 (2017 - $77,179) and reclamation bonds $15,060 (2017-$13,043).

Total current liabilities as at December 31, 2018 were $472,674 (2017 - $462,072) consisting primarily of trade payables and amounts due to directors and officers.

The Company's long-term financial liabilities are a derivative liability for warrants denominated in a foreign currency of $921,244 (2017 - $1,065,985), $58,449 for a convertible debenture (2017 – $45,291), and a Derivative Liability for a convertible debenture of $180,436 (2017 – $158,649).

There were considerable changes in some line items between the years ended December 31, 2017 and December 31, 2018. $81,650 in director fees were written-off during 2018 (2017 - $20,525). There were changes in: the gain from revaluation of foreign currency warrants which changes based on inputs in the Black-Scholes option pricing model (ie. stock price volatility) and can swing considerably from quarter to quarter; derivative liability; and the fair value of warrants extended. There is no effect on the company's cash position from the fluctuations in value of the foreign currency warrants, fair value of warrants extended, accretion expense or the revaluation of the derivative liability.

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. The company has also issued convertible debentures.

SUMMARY OF QUARTERLY RESULTS

Three months Ended December 31, 2018 Compared to Three months Ended December 31, 2017

Operating Revenues: The Company is a mineral exploration company and has no operating revenues.

The Company's net loss for the three months ended December 31, 2018 increased by $447,862 to ($394,059). The Company's loss for the three months ended December 31, 2017 decreased by $217,189.

Expenses incurred during the three months ended December 31, 2018 were:

i. Office and administrative costs of $118,656. (2017-$73,246);
ii. Professional Fees of $35,926. Includes legal and audit fees. (2017-$29,901);
iii. Exploration and evaluation expenditures were $13,602 (2017 - $11,946);
iv. Stock based compensation $39,850 (2017 – Nil);
v. Depreciation of $2,270 (2017 – $2,270);
vi. Foreign exchange gain of ($14,017); (2017 – gain of $2,199);
vii. Gain on revaluation of foreign currency warrants decreased by $265,914 (2017 –gain $421,314);
viii. Gain on reversal of director fees $81,650 (2017 - 20,525)
ix. Accretion expense of $3,610 (2017 - $2,797);
x. Gain on revaluation of derivative liability of $48,214 during quarter (2017-gain $45,607);
xi. Fair value of warrants extended of $15,487 during quarter (2017 - $43,004).

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Summary of Quarterly Results

Description	Dec 31/18	Sept 30/18	June 30/18	Mar 31/18	Dec 31/17	Sep 30/17	June 30/17	Mar 31/17
	$	$	$	$	$	$	$	$
Sales/Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Income/Loss	(447,862)	420,524	56,844	(423,565)	217,189	(791,424)	(464,968)	321,603
Net Income/Loss Per share – Basic & Diluted	(0.006)	0.006	0.001	(0.006)	0.004	(0.012)	(0.008)	0.005

LIQUIDITY

As at December 31, 2018, the Company had cash in the amount of $110,170 (2017-$172,600) and current liabilities of $472,674 (2017-$462,072). As at December 31, 2018, the Company has a working capital deficiency of $350,341 (2017 - $267,031). 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 current mineral projects, 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 April 30, 2019, 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 Board of 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).

Remuneration of Directors and key management of the Company was as follows:

	2018	2017
Management and director fees (i)	$263,007 (ii)	$269,553 (i)

(i) Included in office and administrative costs in the consolidated statements of loss and comprehensive loss.

Other related party balances are listed below:

(a) Included in accounts payable and accrued liabilities is $398,060 (2017 - $397,458) of amounts owing to directors of the Company for management and director fees.

(b) During the year ended December 31, 2018, the Company reversed $81,650 of management and director fees owing to directors which were included in accounts payable and accrued liabilities. These management and director fees have been permanently forgiven by the directors.

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 financial statements.

Critical Accounting Estimates

The Critical Accounting Estimates of the Company are discussed in Note 2 to the Company's financial statements.

Financial Instruments

The Financial Instruments of the Company are discussed in Note 2 to the Company's financial statements.

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, deferred or expenses, 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, 2018, 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: December 31, 2018 – 77,544,175;
Issued and outstanding: April 30, 2019 (date of this report) – 78,604,800

Warrants outstanding: December 31, 2018 – 37,491,795
Warrants outstanding: April 30, 2019 – 36,562,420
The warrants expire between March 2019 and December 2021 and have a weighted average exercise price of CDN $0.1016 per share.

Options outstanding: December 31, 2018 – 6,200,000
Options outstanding: April 30, 2019 – 6,300,000
The options expire between May 2019 and December 2023 and have a weighted average exercise price of CDN $0.10 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 TMX Equity Transfer Services 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.