Mezzotin Minerals Inc.

Management's Discussion and Analysis

For the Three and Six Months Ended

June 30, 2018

This "Management's Discussion and Analysis" ("MD&A") has been prepared as August 29, 2018 and should be read in conjunction with the unaudited condensed interim consolidated financial statements of Mezzotin Minerals Inc. (the "Company" or "MMI"), for the three and six months ended June 30, 2018 and the audited consolidated financial statements for the years ended December 31, 2017 and 2016. The Company's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") which are generally accepted accounting principles in Canada for reporting issuers and are reported in Canadian dollars unless otherwise stated.

Unless otherwise stated, all financial analysis, data and information set out in this MD&A are unaudited.

Cautionary Note Regarding Forward-Looking Statements

This MD&A includes certain forward-looking statements that are based upon current expectations, which involve risks and uncertainties associated with the Company's business, and the economic environment in which the business operates. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements which are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. The forward-looking statements are not historical facts but reflect the Company's current expectations regarding future results or events. Forward-looking statements contained in this MD&A are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including the matters discussed in the section "Risks and Uncertainties" below. Readers are cautioned that the foregoing lists of factors are not exhaustive. Although the Company has attempted to identify important factors that could cause actual events and results to differ materially from those described in the forward-looking information, there may be other factors that cause events or results to differ from those intended, anticipated or estimated.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. The Company believes the expectations reflected in the forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and readers are cautioned not to place undue reliance on forward-looking information contained in this MD&A.

The forward-looking information contained in this MD&A is provided as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as otherwise required by law. All forward-looking information contained in this MD&A is expressly qualified by this cautionary statement.

Overview of the Business

The Company was incorporated on October 27, 2005 and became a reporting issuer as a Capital Pool Company on March 17, 2006. On May 10, 2011, Zoolander completed its Qualifying Transaction with the acquisition of Adsani Explorations (Pty) Ltd. ("Adsani"), a South African registered company, and its wholly-owned Zimbabwean subsidiary Mezzotin Investments (Private) Limited ("Mezzotin"). The acquisition constituted a reverse acquisition for accounting purposes.

Mezzotin's common shares are listed on NEX board of the TSX Venture Exchange under the symbol "MEZZ.H". The Company is a reporting issuer in British Columbia, Alberta and Ontario.

Mezzotin holds mining claims known as the Sabi Star Property ("Sabi Star"). Sabi Star is comprised of 30 rare earth exploration permits covering a total of 2,348 hectares. The property is located in Eastern Zimbabwe approximately 150 kilometres from Harare, the capital of Zimbabwe, and approximately 250 kilometres from the border of South Africa. The property is located on the Odzi Gold Belt, a known mineralization belt having historically produced gold, copper, tin, tantalum, niobium and diamonds.

The Company holds exploration and mineral rights in Zimbabwe, known as the Sabi Star Property ("Sabi Star"). Sabi Star is comprised of 30 rare earth exploration permits covering a total of 2,348 hectares. The property is located in Eastern Zimbabwe approximately 150 kilometres from Harare, the capital of Zimbabwe, and approximately 250 kilometres from the border of South Africa. The property is located on the Odzi Gold Belt, a known mineralization belt having historically produced gold, copper, tin, tantalum, niobium and diamonds.

Further technical information regarding this property can be found in the National Instrument 43-101 Technical Report (NI 43-101 Report) filed March 31, 2011 on the Company's profile on SEDAR at www.sedar.com.

The Company has entered into an agreement to sell the Sabi Star property rights to a Zimbabwean subsidiary of Max Mind Investment Limited. As of the date of this MD&A, the Company is waiting for local Zimbabwe approval for the sale.

As of the date of this MD&A, the directors and officers of the Company were:

Paul Ekon	President, CEO and Director
Christine He	Director
Shawn Mace	Director
Jason Chen, PhD	Director
Lawrence Schreiner, CPA, CA	CFO

Highlights and Summary

In the three and six months ended June 30, 2018 the Company incurred net losses of $99,142 and $156,938, respectively, compared with net losses of $49,440 and $100,418, respectively in the corresponding periods of 2017. On a per share basis, in the three and six months ended June 30, 2018 the Company incurred losses per share of $0.002 and $0.003, respectively on a weighted average basis, compared with $0.001 and $0.002 respectively in the corresponding periods of 2017. The increase in the loss in the current quarter relates to additional costs incurred with respect to the debt conversion, sale of the Sabi Star properties and the shareholder meeting.

On April 11, 2018 the Company announced that, subject to regulatory approval, it had agreed to issue 8,014,969 common shares at a deemed price of $0.05 per share to Hong Kong-based Max Mind Investment Limited ("Max Mind") to settle indebtedness owing to Max Mind. Max Mind, through a Zimbabwean subsidiary, holds the rights to develop the Company's Sabi Star rare earth project located in Eastern Zimbabwe through a Tribute Agreement signed in December 2015. On May 25, 2018 the Company settled debt, which included principal and accrued interest in the amount of $400,748 (US$314,831.07) which had been loaned to the Company pursuant to a Loan Agreement dated December 2015. Upon completion of the debt settlement, Max Mind controls approximately 14.1% of the outstanding common shares of the Company. All shares issued under the debt settlement transaction are subject to a 4-month hold period.

On May 9, 2018 the Company announced that a definitive agreement has been entered into by the Company's Zimbabwean subsidiary for the sale of its Sabi Star rare earth property (the "Property Sale") to a Zimbabwean subsidiary (the "Purchaser") of Hong-Kong based Max Mind Investment Limited ("Max Mind") for US$125,000.

Neither the property sale nor the debt settlement is conditional upon the completion of the other transaction.

By virtue of the debt settlement, Max Mind is considered to be a "related party" of the Company under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (the "Rule") and TSX Venture Exchange Policy 5.9 (the "Policy") and the proposed Property Sale is considered to be a "related party transaction" under the Rule and Policy. The Property Sale is however, exempt from the formal valuation requirements of the Rule and Policy as the Company's common shares are not listed on a specified stock exchange or market. In addition, the proposed Property Sale is exempt from the minority approval requirements of the Rule and Policy as the proposed transaction is supported by Paul Ekon, President and Chief Executive Officer of the Company and beneficial owner of approximately 52.6% of the outstanding common shares of the Company.

As the sale of the Sabi Star property will constitute the indirect sale of substantially all of property and assets of the Company, the proposed transaction is subject to the approval of shareholders holding not less than two-thirds of the common shares of the Company voting on the matter. An annual and special meeting of shareholders was held on June 25, 2018 at which time the shareholders voted in favor of the sale. The proposed Property Sale is also subject to all necessary regulatory approvals, including the approval of the NEX Board of the TSX Venture Exchange, and the receipt by the board of directors of an independent valuation of the Sabi Star property indicating that the purchase price is fair to the Company. At the time of the MD&A, the transaction is still pending regulatory approval in Zimbabwe.

In the event that the proposed Property Sale is completed, the Company intends to search for assets or businesses in a broad range of sectors and industries to merge with or acquire to reactivate the Company and maximize value for shareholders. The can be no assurance that the proposed Property Sale transaction will be completed as proposed or at all.

On June 25, 2018 the Company held its annual and special meeting of the shareholders of the Corporation to consider a number of issues. At that meeting, the shareholders approved the sale of the properties, elected the directors put forth in the information circular and approved a 10% "rolling incentive stock option plan.

In addition to the above noted approvals, the shareholders also voted in favor of authorizing the Directors of the Company to effect a name change and to consolidate the number of shares outstanding only in the event of Mezzotin Minerals being reactivated through a reactivation transaction. Further information on these resolutions are available in the Information Circular which can be found at www.sedar.com.

All matters of a material nature are made available at www.sedar.com .

Discussion of Operating Results

The following table summarizes the Company's operating results for the three and six months ended June 30, 2018 and 2017:

(Unaudited)	Three Months Ended June 30		Six Months Ended June 30	
Operating expenses	**2018**	2017	**2017**	2017
Consulting fees	**$ 17,500**	$ 12,250	**$ 28,000**	$ 22,750
Professional fees	**29,291**	10,901	**53,108**	17,401
Salaries and wages	**7,985**	5,966	**13,654**	11,835
Regulatory and shareholder	**20,151**	10,052	**24,244**	18,267
General and administrative	**13,774**	1,119	**16,470**	11,719
Depreciation	**8,887**	11,261	**18,005**	22,913
Operating Loss	**(97,588)**	(51,549)	**(153,481)**	(104,885)
Rental income	-	(3,026)	-	(6,003)
Finance income	-	(53)	-	(53)
Interest expense	**1,554**	970	**3,457**	1,589
Net loss	**$ (99,142)**	$ (49,440)	**$ (156,938)**	$ (100,418)

In the three and six months ended June 30, 2017, the Company incurred losses of $99,142 and $156,938, respectively, compared with the $49,440 and $100,418, respectively, for the corresponding periods in the prior fiscal year. The following analysis outlines the costs incurred and differences, by category.

Consulting fees

In the three and six months ended June 30, 2017 the Company incurred costs of $17,500 and $28,000, respectively (2017 - $10,500 and $21,000) for management services including accounting, CFO and corporate secretarial services. The increase costs in the current period reflects the additional work related to the debt conversion and sale of the properties.

Professional fees

Professional fees include amounts paid for legal, audit and other professional services. The following table sets out the professional fees by category:

(Unaudited)	Three Months Ended June 30		Six Months Ended June 30	
Professional Fees	**2018**	2017	**2018**	2017
Legal	**$ 23,512**	$ 4,901	**$ 36,276**	$ 5,401
Audit	**5,000**	6,000	**13,407**	12,000
Other	**779**	-	**3,425**	-
Total Professional Fees	**$ 29,291**	$ 10,901	**$ 53,108**	$ 17,401

In the three and six months ended June 30, 2018 the Company recorded legal fees of $23,512 and $36,276, respectively, compared with $4,901 and $5,401, respectively, in the corresponding periods of the prior year. The increase in legal costs relates to the debt conversion, property sale and AGM activities.

Audit fees for the year are accrued on a quarterly basis and include fees for audit and tax preparation services.

Salaries and wages

Salaries and wages relate specifically to security and maintenance costs incurred at Mezzotin Investments in Harare, Zimbabwe. The personnel are responsible for the property and infrastructures on the Sabi Star properties.

For the three and six months ended June 30, 2018 the Company incurred cost of $7,985 and $13,654, respectively compared with $5,966 and $11,835, respectively, in the corresponding periods of the prior year.

The salary costs have not been assumed by the property developer under the tribute agreement and will continue to be paid by the Company.

Regulatory and compliance

This category of expense includes regulatory filing fees, costs associated with the annual general meeting, press releases and transfer agent fees. Any legal cost related to regulatory and compliance are included in professional fees.

In the three and six months ended June 30, 2018, the Company incurred costs of $20,151 and $24,244, respectively, compared with $10,052 and $18,276, respectively in the corresponding periods of the prior year. The increase in costs in the quarter relate primarily to the additional activity relating to the shareholders' meeting in June.

General and administrative

General and administrative costs include office related costs such as rent, telephone, insurance, supplies as well as cost associated with general operations, repairs and maintenance at the properties. The following table sets out the costs in the major categories:

(Unaudited)	**Three Months Ended June 30**		**Six Months Ended June 30**	
General and Administrative	**2018**	2017	**2018**	2017
Rent, telephone, supplies	**$ 2,424**	$ 4,826	**$ 4,224**	$ 9,603
Insurance	**6,709**	5,043	**11,389**	10,049
Equipment storage	**-**	-	**-**	-
Repairs and maintenance	**-**	(9,387)	**-**	(9,387)
Other costs	**4,641**	637	**857**	1,454
Total General and Administrative	**$ 13,774**	$ 1,119	**$ 16,470**	$ 11,719

Rent relates to the rental costs for the Toronto office only. Rent is no longer being charged by a related company for the offices in Harare as of January 2018. In the three months ended March 31, 2018, "Other costs" includes a recovery of $1,900 in expenses charged in prior periods.

Depreciation

In January 2015, the Company began recording depreciation on all its Property and Equipment assets whether or not the asset was in use. The depreciation charge is intended to reflect the deterioration over time of the assets.

In the three and six months ended June 30, 2018 the Company recorded depreciation of $8,887 and $18,005, respectively compared to $11,261 and $22,913, respectively in the corresponding periods of the prior year.

Rental income

Effective January 2018, the Company no longer provides a vehicle for rental income.

Deferred costs

In the three and six months ended June 30, 2018 the Company did not defer any development charges. Under the terms of the tribute agreement, the developer company is responsible for all development charges as well as payment of land claim license fees which would otherwise be paid by the Company.

Quarterly Financial Information

The following table sets out the operating results for the last eight quarters:

	Revenue	Net Loss	Loss per share
June 30, 2018	Nil	99,142	$ 0.002
March 31, 2018	Nil	$57,796	$ 0.001
December 31, 2017	Nil	$ 33,629	$ 0.000
September 30, 2017	Nil	$62,751	$ 0.001
June 30, 2017	Nil	$58,828	$ 0.001
March 31, 2017	Nil	$ 50,978	$ 0.001
December 31, 2016	Nil	$ 57,867	$ 0.001
September 30, 2016	Nil	$ 56,915	$ 0.001
June 30, 2016	Nil	$ 75,444	$ 0.002

In the three months ended June 30, 2018, the Company incurred a loss of 99,142. The increase in the loss is primarily attributable to an increase in professional fees related to the debt settlement and property sale agreements as well as costs related to the shareholders' meeting in June 2018

In the three months ended March 31, 2018, the Company incurred a loss of $57,796. The increase in the loss is primarily attributable to an increase in professional fees related to the debt settlement and property sale agreements.

In the three months ended December 31, 2017, the Company incurred a loss of $33,629. In the period, the Company reversed an accrued expense of $26,806 originally booked in a prior year and reducing the current quarter's loss.

In the three months ended September 30, 2017, the Company incurred a net loss of $62,751. The loss is higher than the previous quarter because of increased professional and consulting fees, as well as expenses related to the AGM held in July.

In the three months ended June 30, 2017, the Company incurred a net loss of $49,440. The loss reflects the ongoing costs of operations. There was no development activity on the Sabi Star properties by Max Mind in the quarter.

In the three months ended March 31, 2017, the Company incurred a net loss of $50,978. The loss reflects the ongoing costs of operations. There was no development activity on the Sabi Star properties while the developer is still working on its development plans.

In the three months ended December 31, 2016, the Company incurred a net loss of $57,867. The loss reflects the ongoing operating costs of the business. There was no development activity on the Sabi Star properties while the developer waited for the results of the initial testing carried out earlier in 2016.

In the three months ended September 30, 2016, the Company incurred a loss of $56,915. The loss reflects the ongoing costs of the business operation. With respect to the exploration program, Max Mind was waiting for the assay results to better focus their exploration program. In the three months ended September 30, 2016, Max Mind reported incurring costs of US$25,300.

Liquidity and Capital Resources

At June 30, 2018, the Company's cash balance was $74,797 (December 31, 2017 - $63,269). At June 30, 2018, the Company had a working capital deficit of $378,574 compared with a deficit of $229,207 at December 31, 2017.

The Company's financial liquidity has been supported primarily by its cash resources including loans from Max Mind Investment Limited. The Company is a development stage enterprise, does not generate any revenue and is not cash flow positive.

The Company is taking steps to sell its properties, revert to a public shell and look for a target company with which to merge. These activities, if successful will change the liquidity and capital requirements going forward in a manner that is underminable at this time.

The Company's investment practice may include investing cash balances in term deposits and bankers' acceptances. Any investment in short-term investments would be high quality instruments of financial institutions, providing the Company with very low levels of liquidity risk on its invested financial instruments.

Notes Payable

The Company has issued two promissory notes to Max Mind Investment Limited on March 6, 2018 and June 11, 2018 in the amount of US$50,000 and US$60,000, respectively. The notes are unsecured, payable on demand and bears interest at 5% per annum. Following the Debt Settlement Agreement concluded on May 25, 2018, Max Mind is a related party, owning approximately 14.1% of the common shares. (see "Related Party Transactions")

Long Term Debt

On December 31, 2015 the Company entered into a Loan Agreement with Max Mind Investment Limited, ("Max Mind") a Hong Kong based investment company, for a loan up to US$500,000. At the same time, the Company entered into a Tribute Agreement whereby a subsidiary of Max Mind would develop the Mezzotin properties and pay a royalty of 20% of pre-tax profits. The royalty payments were to be applied to the outstanding principal and interest outstanding under the Loan Agreement.

On April 11, 2018, the Company announced it has agreed to issue common shares to Max Mind Investment Limited, a Hong Kong investment company, to settle a portion of the indebtedness owing to Max Mind.

On May 25, 2018 the Company issued 8,014,969 common shares at a deemed price of $0.05 per share to Max Mind. The shares were issued as settlement for $400,748 of debt advanced to the Company under the December 31, 2015 Loan Agreement. The issue price was in excess of the market value but represents the minimum issue price under the TSX-V's debt settlement rules.

Immediately following the conversion of debt for shares, the Company still has a remaining balance of principal and accrued interest on the December 31, 2015 Loan Agreement of $55,257.

Share Capital

On May 25, 2018 the Company issued 8,014,969 common shares to Max Mind Investment Limited in conjunction with a debt settlement arrangement. Upon issue of the shares, Max Mind became a 14.1% owner of the company and is now considered a related party. As of the date of this MD&A, there were a total of 56,994,069 commons shares outstanding.

As at June 30, 2018 and the date of this MD&A, there were no options pursuant to the Employee Stock Option Plan or warrants issued or outstanding.

Capital Commitments

The Company does not have any material commitments for capital assets as of June 30, 2018 or as of the date of this MD&A.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements as of the date of this MD&A.

Related Party Transactions

Related parties include the Board of Directors and officers of the Company and its subsidiaries including close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. It also includes any party not included above who may hold more than 10% of the common equity of the Company.

Following is a summary of the related party transactions for the three and six months ended June 30, 2018 and the corresponding prior year's amounts:

a) In the three and six months ended June 30, 2018 the Company incurred costs of $17,500 and $28,000, respectively (2017 - $10,500 and $21,000 respectively) for executive and management services to a company controlled by an officer of the Company. The amounts are included in Consulting Fees.
b) In the three and six months ended June 30, 2018, the Company borrowed $77,904 and 60,845 respectively under promissory notes from a company that owns more than 10% of the common shares of the Company.
c) In the three and six months ended June 30, 2018, the Company incurred interest expense of $1,554 and 3,457, respectively, compared with $970 and $1,589, respectively in the corresponding periods of the prior year on loans from a party related by virtue of its shareholdings.

Current/Proposed Transactions

On May 9, 2018, the Company announced a definitive agreement had been entered into by the Company's Zimbabwean subsidiary for the sale if its Sabi Star properties to a Zimbabwean subsidiary of Hong Kong based Max Mind Investment Limited (Max Mind), which at the time was an arm's length private investment company for a price of US$125,000. The Company had earlier announced a Debt Settlement Agreement with Max Mind.

Neither the sale of the properties nor the debt settlement is conditional upon the completion of the other transaction.

As the sale of the Sabi Star property will constitute the indirect sale of substantially all of property and assets of the Company, the proposed transaction was subject to the approval of shareholders holding not less than two-thirds of the common shares of the Company voting on the matter. An annual and special meeting of shareholders was held on June 25, 2018 in Toronto at which time the shareholders voted to approve the proposed Property Sale.

The proposed Property Sale is also subject to all necessary regulatory approvals, including the approval of the NEX Board of the TSX Venture Exchange, and the receipt by the board of directors of an independent valuation of the Sabi Star property indicating that the purchase price is fair to the Company. At this time, the Company is waiting for the final regulatory approvals in Zimbabwe.

Contingencies

The Company has received an assessment of US$23,208 from the Zimbabwe Revenue Agency (ZIMRA) for interest on unpaid duty the Company was challenging. The Company appealed the assessment of the duty, has exhausted all appeal rights and has paid the amount as assessed. ZIMRA has now assessed the company for interest on the unpaid duty amount up to the date it was paid. The Company has appealed the interest charge.

The Company has not recorded the assessment expense in the current financial statements pending the results of the appeal. It is uncertain at this time if the appeal will successful.

Financial Instruments

Fair Value of Financial Instruments

The Company has designated its cash as held for trading, which is measured at fair value. Fair value of marketable securities is determined based on transaction value and is categorized as Level 1 measurement. HST recoverable and other receivables are classified for accounting purposes as loans and receivables, which are measured at amortized cost which approximates fair value. Accounts payable and accrued liabilities and property options payable are classified for accounting purposes as other financial liabilities, which are measured at amortized cost which also approximates fair value. Fair value of accounts payable and accrued liabilities and property options payable are determined from transaction values which were derived from observable market inputs. Fair values of accounts payable and accrued liabilities and property options payable are based on Level 2 measurements.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

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 is exposed to interest rate fluctuations on the balance of its Loan Payable, where interest is expressed in relation to the prevailing LIBOR rate. The interest rate for the notes is fixed and not pegged to any third party reference.

Foreign Exchange Risk

The Company has exposure to foreign risk primarily with respect to the US Dollar. The Company's active subsidiary is located in Zimbabwe which in late 2015 announced the adoption of the Chinese Renminbi as its official currency. Because of restrictions in trade with respect to the Renminbi, commerce, and in particular international commerce is transacted in US Dollars. The Company's tribute agreement is expressed in US Dollars and royalties from the operation are designated to pay down the interest on the Company's US Dollar debt. The Company does not hedge its foreign exchange risks.

Liquidity Risk

The Company manages liquidity risk by ensuring that all near cash and short term investments are in secure, high quality instruments with short term maturity dates to ensure that it will be able to meet liabilities when due.

New Accounting Pronouncements

The following amendments were adopted by the Company in the fiscal year:

Amendments to IAS 7, Statement of Cash Flows

In January 2016, the IASB issued amendments to IAS 7, Statement of Cash Flows. The amendments require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes. One way to meet this new disclosure requirement is to provide a reconciliation between the opening and closing balances for liabilities from financing activities. These amendments apply prospectively for annual periods beginning on or after January 1, 2017. The Company has adopted this amendment with no impact on the financial statements.

Amendments to IAS 12, Income Taxes

In January 2016, the IASB issued amendments to IAS 12, Income Taxes. The amendments clarify that the existence of a deductible temporary difference depends solely on a comparison of the carrying amount of an asset and its tax base at the end of the reporting period and is not affected by possible future changes in the carrying amount or expected manner of recovery of the asset. The amendments also clarify the methodology to determine the future taxable profits used for assessing the utilization of deductible temporary differences. The amendments apply retrospectively for annual periods beginning on or after January 1, 2017. The Company has adopted this amendment with no impact on the financial statements.

The following accounting pronouncements have been issued but are not yet effective. The Company has not early adopted these standards and is currently evaluating the impact, if any, that these standards might have on its consolidated financial statements.

IFRS 9, Financial Instruments

IFRS 9 was issued in November 2009 and contained requirements for financial assets. This standard addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39, Financial Instruments – Recognition and Measurement ("IAS 39") for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments, and such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. Where such equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent not clearly representing a return of investment; however, other gains and losses (including impairments) associated with such instruments remain in comprehensive income indefinitely. Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income. IFRS 9 will be effective as at January 1, 2018, with early adoption permitted. The Company does not believe this change will have a material impact on its financial results.

IFRS 15, Revenue from Contracts with Customers

IFRS 15 was issued in May 2014 to replace IAS 18, Revenue, IAS 11, Construction Contracts, and related interpretations on revenue. IFRS 15 establishes principles to address the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. IFRS 15 will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively and improve guidance for multiple element arrangements. Companies can elect to use either a full or modified retrospective approach when adopting this standard and it is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company does not believe implementing IFRS 15 will have a material impact on its financial results.

IFRS 16, Leases

IFRS 16 was issued in January 2016, replaces IAS 17, Leases. IFRS 16 results in most leases being reported on the balance sheet for lessees, eliminating the distinction between a finance lease and an operating lease and is effective for annual periods beginning on or after January 1, 2019. Under IFRS 16, all operating leases, except for short term and low value leases, are expected to be accounted for as finance leases. IFRS 16 also does not apply to leases to explore for or use mineral, oil, natural gas and similar non-regenerative resources. The Company does not believe IFRS 16 will have a material impact on the financial reporting of the Company.

Amendments to IFRS 2, Share-based Payments

The amendments add guidance that introduces accounting requirements for cash-settled share-based payments that follows the same approach as used for equity-settled share-based payments. The amendments are effective for annual periods beginning on or after January 1, 2018, early adoption is permitted. The Company does not have any share based payments in the form or options or warrants outstanding and believes the amendments will not have a material effect on the financial reporting of the Company.

IFRIC 22, Foreign Currency Transactions and Advance Considerations

The Interpretations Committee of the IASB has issued IFRIC 22 which clarifies the accounting for transactions that include the receipt or payment in a foreign currency in advance consideration. The interpretation covers the foreign currency translations when an entity recognizes a non-monetary asset or non-monetary liability arising the payment or receipt of advance consideration before the entity recognizes the related asset, expense or income. IFRIC 22 is effective for annual reporting periods beginning on or after January 1, 2018, earlier adoption is permitted. The Company does not believe this interpretation will have a material impact on the financial reporting of the Company.

Risks and Uncertainties

An investment in the Company's shares should be considered highly speculative. An investor should carefully consider each of, and the cumulative effect of, the following risks and uncertainties.

Sale of the Properties

The Company has entered into an agreement whereby rights to the Sabi Star properties would be sold to Max Mind. At this time, there are still regulatory approvals required to effect the sale. There can be no guarantee that the parties to the transaction will receive the requisite approvals or that the transaction will conclude.

Development Venture

Currently, the Company has agreed to permit a third party to mine its Sabi Star properties for a royalty of 20% of the pre-tax cash flows from the business. The Company has also borrowed operating working capital from a company related to its development partner whereby the interest and principal of the loan are to be repaid from the royalty payments. There is no certainty that the development of the property and the royalty payments will be either sufficient or timely with respect to the terms of the debt agreement.

Financing Requirements

While the Company has an agreement to allow a third party to mine its properties, beyond the terms of the agreement, the exploration and development of the Company's properties, including continuing exploration and development of the Sabi Star Property, may require substantial additional financing. Failure to obtain sufficient financing will result in a delay or indefinite postponement of exploration and or even a loss of a property interest. When such additional capital is required, the Company may pursue sources of such capital through various financing transactions or arrangements, including joint venturing of projects, debt financing, equity financing or other means.

Additional financing may not be available when needed or if available, the terms of such financing might not be favourable to the Company and might involve substantial dilution to existing shareholders. The Company may not be successful in locating suitable financing transactions in the time period required or at all, may not obtain the capital required by other means and failure to raise capital when needed would have a material adverse effect on the Company's business, financial condition and results of operations.

Dilution Risk

In order to finance future operations and development efforts, the Company may raise funds through the issue of Company Shares or securities convertible into Company Shares. The constating documents of the Company will allow it to issue, among other things, an unlimited number of Company shares for such consideration and on such terms and conditions as may be established by the directors of the Company, in many cases, without the approval of shareholders. The size of future issues of Company shares or securities convertible into Company shares or the effect, if any, that future issues and sales of the Company shares will have on the price of the Company shares cannot be predicted at this time. Any transaction involving the issue of previously authorized but unissued Company shares or securities convertible into Company Shares would result in dilution, possibly substantial, to present and prospective shareholders of the Company.

Local Legal, Political and Economic Factors

The Company's operations are conducted in Zimbabwe and, as such, will be exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties include, but are not limited to: terrorism; hostage taking; military repression; extreme fluctuations in currency exchange rates; labour unrest; the risks of war or civil unrest; expropriation and nationalization; renegotiation or nullification of existing concessions, licences, permits and contracts; illegal mining; changes in taxation policies; restrictions on foreign exchange and repatriation; and changing political conditions, currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. Zimbabwe has a history of political and economic instability. This instability could result in new governments or the adoption of new policies, laws or regulations that might assume a substantially more hostile attitude toward foreign investment, including the imposition of additional taxes. In an extreme case, such a change could result in the termination of contract rights and expropriation of foreign-owned assets.

Historically Disadvantaged Aboriginal People

Zimbabwe is in the process of enacting legislation to assist people of aboriginal descent to overcome perceived historic economic disadvantages. The Indigenisation Act became law in Zimbabwe on April 17, 2008. The Indigenisation Act provides for all companies operating in Zimbabwe to arrange for 51% of their shares or interest therein to be owned by indigenous Zimbabweans, however, recent statements by the Zimbabwe government have indicated that companies will be required to relinquish a lower percentage.

On January 29, 2010, the Zimbabwe Government published regulations with respect to the Indigenisation Act that include the requirement for companies operating in Zimbabwe to provide specified information to the Minister of Youth Development, Indigenisation and Empowerment (the "Minister"), including an indigenisation implementation plan, by April 15, 2010. That information, together with responses from all sectors of the Zimbabwe economy, will be used as a basis for determining what amount less than 51% shall apply to any sector and subsector and the maximum period for achieving indigenization. The regulations require the Minister to complete the determinations by February 28, 2011. Mezzotin has filed the necessary documentation with the Minister. There is great uncertainty as to whether the legislation will be enforced in the current form and what impact it will have on companies like Mezzotin and/or the Company.

There is no guarantee that the legislation will be amended, requiring a dilution of the Company's interest in the Sabi Star Property in favour of previously disadvantaged persons. Were such a dilution required, there is no guarantee that the Company would be fully compensated for the interest given up.

In the March 2018 National Budget, the Zimbabwean government approved indigenization law amendments which, would appear to repeal the laws in their entirety with the exception of mining for platinum and diamonds. At this time, it is too early to determine the real extent of the change since the changes have not yet been fully tested.

Title to Properties

The Company holds its interest in the Sabi Star Property through Mezzotin Investments Pvt. ("Mezzotin"), which is an indirect wholly-owned subsidiary. The Company believes that Mezzotin presently holds all necessary licenses and permits required to carry on with activities which it is currently conducting under applicable laws and regulations and that Mezzotin is presently complying in all material respects with the terms of such licenses and permits. All of Mezzotin's claims are under the jurisdiction of the Government Assistant Mining Commissioner in Mutare, Zimbabwe and the Company believes that all of such claims have been pegged in accordance with the provisions of the Zimbabwe Mines and Minerals Act. Title reviews have been performed with respect to the Sabi Star Property. Although title reviews are often done according to industry standards prior to the purchase of a mining property, such reviews do not guarantee or certify that an unforeseen defect in the chain of title will not arise to defeat the claim of the Company which could result in the loss of a property interest.

The mining claims may be terminated in the event the Company fails to pay annual inspection fees or fails to conduct a development work program on the mining claims annually. Under the laws of Zimbabwe, mineral resources belong to the state and governmental concessions and prospecting licenses are required to explore for, exploit, and extract mineral reserves.

Nature of Exploration and Development

The business of exploring for minerals involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Major expenses may be required to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining operation.

Furthermore, resources and reserves are estimates based upon drilling results, past experience with mining properties, experience of the person making the resource/reserve estimates and many other factors. Resource/reserve estimation is an interpretative process based upon available data. The actual quality and characteristics of mineral deposits and metallurgical recovery rates cannot be known until mining takes place, and will almost certainly differ from the assumptions used to develop reserves. Further, reserves are valued based on current costs and current prices and consequently may be reduced with declines in, or sustained low, metal prices.

Insurance and Uninsured Risks

The Company's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, catastrophic equipment failures, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in mining, monetary losses and possible legal liability.

Although Company will maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability.

Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards that may not be insured against or that Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Environmental Risks and Hazards

All phases of the Company's operations are subject to environmental regulation in Zimbabwe. Environmental legislation is evolving in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that existing or future environmental regulation will not materially adversely affect the Company's business, financial condition and results of operations.

Exchange Controls

Foreign operations may require funding if their cash requirements exceed operating cash flow. To the extent that funding is required, there may be exchange controls limiting such funding or adverse tax consequences associated with such funding. In addition, taxes and exchange controls may affect the dividends received from foreign subsidiaries. Exchange controls may prevent transferring funds abroad.

Commodity Price Volatility

Any future profitability of the Company's operations will be dependent upon the market price of mineral commodities. Mineral prices, including the price of tantalum, fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, the world supply of mineral commodities and the stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The price of mineral commodities, including the price of tantalum, has fluctuated widely in recent years, and future price declines could cause commercial production to be impracticable, thereby having a material adverse effect on the Company's business, financial condition and results of operations. In addition to adversely affecting the Company's reserve or resource estimates and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Foreign Subsidiaries

The Company is a holding company that conducts operations through foreign subsidiaries and substantially all of its assets are held in such entities. Accordingly, any limitation on the transfer of cash or other assets between the parent Company and such entities, or among such entities, could restrict the Company's ability to fund its operations efficiently. Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on the Company's valuation and stock price.

Governmental Regulation of the Mining Industry

All minerals and fossil fuels are vested in the State of Zimbabwe and may be acquired by companies and individuals through the pegging of claims or applications for Special Grants, Exclusive Prospecting Orders ("EPO") and Mining Leases. All of these are covered by the Mines and Minerals Act and the Mining Regulations. The Mines and Minerals Act was promulgated in 1961 and amendments require approval by Parliament. The Mining Regulations may be amended by the Minister of Mines. The Mines and Minerals Act is currently under review, with the Chamber of Mines having set up a committee to propose amendments Although the Company believes that the current activities at the Sabi Star Property are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner that could limit or curtail production or development of the Company's properties.

Additional disclosure for Venture Issuers without Significant Revenue

The requisite disclosure for Venture issuers without significant revenue has been addressed in the Discussion of Operations section.

Outstanding Shares

The following table outlines the equity securities of the Company and all other securities of the Company which are convertible into, exercisable or exchangeable for voting or equity securities as of the date of this MD&A:

	Number
Shares outstanding March 31, 2018	48,979,100
Issued May 25, 2018 re: debt settlement	8,014,969
Total shares outstanding as of this date	56,994,069
Issuable under warrants and options	nil
Total diluted common shares	56,994,069

Additional Information

Additional information including all material agreements relating to the Company, including the Company's 43-101 Technical Report can be found on SEDAR at www.sedar.com.