

**SEAHAWK VENTURES INC.**  
**Management Discussion and Analysis**  
**For the Six Months Ended November 30, 2019**

This discussion and analysis of financial position and results of operations (“MD&A”) is prepared as at January 22, 2020 and should be read in conjunction with the unaudited condensed interim financial statements for the six months ended November 30, 2019 and the audited financial statements for the year ended May 31, 2019 of Seahawk Ventures Inc. (the “Company”) with the related notes thereto. The unaudited condensed interim financial statements for the six months ended November 30, 2019, and comparative information presented therein, have been prepared in accordance with International Financial Reporting Standard (“IFRS”) and with International Accounting Standard 34, “Interim Financial Reporting”, as issued by the International Accounting Standards Board (“IASB”).

This discussion contains forward-looking statements that involve risks and uncertainties. Such information, although considered to be reasonable by the Company’s management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made.

**Forward-Looking Statements**

Certain information included in this discussion may constitute forward-looking statements. Readers are cautioned not to put undue reliance on forward-looking statements. These statements relate to future events or the Company’s future performance, business prospects or opportunities. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation, risks and uncertainties relating to internet and social media industry (see section “Business Risks” herein) Forward-looking information is in addition based on various assumptions including, without limitation, the expectations and beliefs of management, that the Company can access financing, appropriate equipment and sufficient labour. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements.

**Description of Business**

Seahawk Ventures Inc. (the “Company”) was incorporated under the Business Corporations Act (British Columbia) on January 16, 2007. The Company's registered and records office is located at suite 1700 – 666 Burrard Street, Vancouver, BC V6C 2X8 and its head office is located at 909 Bowron Street, Coquitlam, BC V3J 7W3.

The Company currently holds a 100% interest in the Mystery Property, Touchdown Property, Xtra Point Property, Skyfall Property and Blitz Property, all located in the Urban-Barry Greenstone Belt region within the Abitibi sub-province, Quebec, Canada.

Currently, the principal activity of the Company is the acquisition and exploration of mineral resource properties in Canada.

**Overall Performance**

On December 20, 2019 the Company announced a non-brokered private placement of up to 800,000 units at a price of \$0.25 per unit to raise gross proceeds of up to \$200,000. Each unit consists of one common share and one common share purchase warrant entitling the holder to acquire one common share at a price of \$0.50 per share for

three years from the date of issuance. On December 30, 2019, the Company closed the first tranche by issuing 463,600 units for gross proceeds of \$115,900.

On December 30, 2019, the Company granted 1,000,000 stock options to certain directors and consultants of the Company. Each option is exercisable into one common share at a price of \$0.25 per share for a period of 24 months.

On July 30, 2019, the Company granted to directors, officers and consultants 1,900,000 stock options, exercisable at \$0.25 per share for a term of twelve months. These options vested on the date of grant.

On July 9, 2019, the Company issued 200,000 shares and paid \$25,000 cash to Hinterland Metals Inc. pursuant to an option agreement to acquire the Skyfall Property.

On December 4, 2018, the Company granted to two consultants a total of 1,100,000 stock options, exercisable at \$0.40 per share for a term of one year.

In November 2018, the Company closed a private placement by issuing 350,750 non-flow-through shares at \$0.32 per share and 2,000,000 flow-through shares at \$0.40 per share total gross proceeds of \$912,240.

In August 2018, the Company appointed Mr. Mitchell E. Lavery as the Company's President. Mr. Lavery is also the Company's Vice President of Exploration and Corporate Development and director since April 2018.

In August 2018, the Company entered into a property purchase agreement with Mitchell E. Lavery, a director of the Company, to acquire 100% interest in the Blitz Property located in Urban-Barry Greenstone Belt, Quebec. As per the agreement, the Company will pay Mr. Lavery \$8,000 in cash and has issued 1,650,000 shares (issued and valued at \$627,000), subject to a 2.5% net smelter return royalty.

In July 2018, the Company entered into an option agreement to acquire from Hinterland Metals Inc. a 100% interest in the Skyfall Property located at Urban-Barry mining area in the Abitibi region of Quebec. To obtain the 100% interest in the Skyfall Property, the Company will pay the optionor a total of \$100,000 cash (\$25,000 paid), issue 800,000 shares (200,000 shares issued and valued at \$74,000) and incur \$800,000 in exploration expenditures in the next 3 years.

### **Technical update**

The 2019 Exploration Drilling Program has commenced to evaluate our Urban-Barry properties. This drill evaluation will be a phase 1 program to follow up on priority geophysical and geological targets that have been previously identified during prospecting programs and geophysical surveys.

## Mineral Properties

	<i>Mystery Property</i>	<i>Touchdown Property</i>	<i>Xtra Point Property</i>	<i>Skyfall Property</i>	<i>Blitz Property</i>	<i>Total</i>
Balance, May 31, 2018	\$ 466,513	\$ 393,020	\$ 4,200	\$ -	\$ -	\$ 863,733
Acquisition - cash	-	-	-	25,000	8,000	33,000
Acquisition - shares	-	-	-	74,000	627,000	701,000
Exploration						
Mining taxes	-	-	-	6,656	6,971	13,627
Survey	-	-	-	123,628	157,855	281,483
Reports	2,749	22,749	-	-	-	25,498
Quebec tax credit	(38,771)	(38,770)	-	-	-	(77,541)
Balance, May 31, 2019	430,491	376,999	4,200	229,284	799,826	\$ 1,840,800
Acquisition - cash	-	-	-	25,000	-	25,000
Acquisition - shares	-	-	-	36,000	-	36,000
Exploration						
Assay	-	132	-	300	1,188	1,620
Mining taxes	3,695	4,021	131	-	2,571	10,418
Drilling	84,839	229,707	-	-	69,920	384,466
Equipment rental	3,035	7,064	-	-	6,556	16,655
Survey	281	4,800	-	-	5,400	10,481
Prospecting	7,000	15,639	6,548	39,014	49,426	117,627
Balance, November 30, 2019	\$ 529,341	\$ 638,362	\$ 10,879	\$ 329,598	\$ 934,887	\$ 2,443,067

### Mystery Property, Quebec

On June 9, 2017, the Company entered into a Property Purchase Agreement (the “Agreement”) with RSD Capital Corp. and Michel A. Lavoie (the “Vendors”) to acquire a 100% undivided interest in the Mystery Property comprising 66 mineral claims in the Urban-Barry Greenstone Belt region within the Abitibi sub-province, Quebec, Canada.

The Agreement provides that the Company will acquire a 100% interest in the Mystery Property in consideration for payment to the Vendors of an aggregate of \$50,000 (paid), and issuing total of 1,000,000 common shares (issued, valued at \$280,000) of the Company. The Vendors will retain a 2% NSR on the Mystery Property. The Company may elect to purchase one-half of the NSR from the Vendors for a payment of \$500,000, thereby leaving the Vendors with the remaining 1%.

### Touchdown Property, Quebec

On August 2, 2017, the Company entered into a Property Purchase Agreement (the “Agreement”) with RSD Capital Corp. and Michel A. Lavoie (the “Vendors”) to acquire the Touchdown Property comprising 48 mineral claims in the Urban-Barry Greenstone Belt region within the Abitibi sub-province, Quebec, Canada.

The Agreement provides that the Company will acquire a 100% interest in the Touchdown Property in consideration for payment to the Vendors of an aggregate of \$60,000 (paid), and issuing total of 400,000 common shares (issued, valued at \$156,000) of the Company. The Vendors will retain a 2% NSR on the Touchdown Property. The Company may elect to purchase one-half of the NSR from the Vendors for a payment of \$1,000,000, thereby leaving the Vendors with the remaining 1%.

The Company also issued 150,000 shares (valued at \$58,500) as finder’s fee in connection with the acquisition.

### Xtra Point Property, Quebec

In April 2018, the Company acquired from an arm's length vendor a 100% interest in the Xtra Point Property located in the Urban BarryGold Camp, Barry Township, Québec. In consideration for the Xtra Point Property, the Company has issued the vendor 10,000 common shares (issued, valued at \$4,200). The vendor retains a 2% net smelter return royalty on the property. The Company has the option to reduce the royalty to a 0.5% net smelter return royalty for a cash payment to the vendor of \$1,000,000.

### Skyfall Property, Quebec

On July 9, 2018, the Company entered into an option agreement to acquire from Hinterland Metals Inc. a 100% interest in the Skyfall Property located at Urban-Barry mining area in the Abitibi region of Quebec. To obtain the 100% interest in the Skyfall Property, the Company will pay the optionor a total of \$100,000 cash, issue 800,000 shares and incur \$800,000 in exploration expenditures in the next 3 years, scheduled as follows:

Date	Cash	Shares	Exploration expenditures
On or before July 14, 2018	\$25,000 (paid)	200,000 (issued and valued at \$74,000)	\$Nil
On or before July 9, 2019	\$25,000 (paid)	200,000 (issued and valued at \$36,000)	\$200,000
On or before July 9, 2020	\$25,000	200,000	\$100,000
On or before July 9, 2021	\$25,000	200,000	\$500,000

The vendor retains a 2% net smelter return royalty on the property.

### Blitz Property, Quebec

In August 2018, the Company entered into a property purchase agreement with Mitchell E. Lavery, a director of the Company, to acquire 100% interest in the Blitz Property located in Urban-Barry Greenstone Belt, Quebec. As per

the agreement, the Company will pay Mr. Lavery \$8,000 in cash and has issued 1,650,000 shares (issued and valued at \$627,000), subject to a 2.5% net smelter return royalty.

## Results of Operations

During the six months ended November 30, 2019, the Company incurred a net loss of \$154,100 compared with a loss of \$116,452 during the six months ended November 30, 2018. The loss is mainly comprised of the following items:

- Management fees of \$Nil (2018 - \$75,000) consisted of \$Nil (2018 - \$45,000) accrued to CEO and \$Nil (2018 - \$30,000) accrued to CFO;
- Professional fees of \$31,404 (2018 - \$19,340) was legal fees, auditing fees, and accounting fees. The increased professional fees are mainly due to higher accounting and tax fees due to increased exploration activities.
- Share-based compensation of \$182,626 (2018 - \$Nil) is the valuation of 1,900,000 (2018 - Nil) stock options granted in July 2019;
- Shareholder costs of \$26,925 (2018 - \$11,509) were mainly costs associated with news filing and other marketing activities.
- The Company recorded a flow-through share premium recovery of \$95,878 (2018 - \$Nil) in relation with the tax benefit renounced to flow-through share investors.

During the three months ended November 30, 2019, the Company had an income of \$53,575 compared with a loss of \$61,147 during the three months ended November 30, 2018. The income/loss is mainly comprised of the following items:

- Management fees of \$Nil (2018 - \$37,500) consisted of \$Nil (2018 - \$22,500) accrued to CEO and \$Nil (2018 - \$15,000) accrued to CFO;
- Professional fees of \$21,500 (2018 - \$11,800) was legal fees, auditing fees and accounting fees.
- The Company recorded a flow-through share premium recovery of \$95,878 (2018 - \$Nil) in relation with the tax benefit renounced to flow-through share investors.

## Quarterly Information

	Three months ended November 30, 2019 <sup>(5)</sup>	Three months ended August 31, 2019 <sup>(4)</sup>	Three months ended May 31, 2019 <sup>(3)</sup>	Three months ended February 28, 2019 <sup>(2)</sup>
Total Assets	\$ 2,569,641	\$ 2,486,894	\$ 2,464,054	\$ 2,444,362
Working capital (deficiency)	(453,147)	(11,660)	84,594	(40,506)
Net income (loss) for the period	53,575	(207,675)	(6,867)	(168,474)
Net income (loss) per share	0.00	(0.01)	(0.00)	(0.01)

	Three months ended November 30, 2018	Three months ended August 31, 2018	Three months ended May 31, 2018	Three months ended February 28, 2018 <sup>(1)</sup>
Total Assets	\$ 2,275,348	\$ 1,460,628	\$ 903,762	\$ 929,187
Working capital (deficiency)	263,420	(368,173)	(254,370)	(166,502)
Net loss for the period	(61,147)	(55,305)	(80,134)	(347,489)
Net loss per share	(0.00)	(0.00)	(0.00)	(0.02)

(1) During the three months ended February 28, 2018, the Company recorded share-based compensation of \$247,549 and wrote off exploration and evaluation assets of \$46,457.

- (2) During the three months ended February 28, 2019, the Company recorded share-based compensation of \$139,864.
- (3) During the three months ended May 31, 2019, the Company recorded a flow-through share premium recovery of \$64,122.
- (4) During the three months ended August 31, 2019, the Company recorded share-based compensation of \$182,626.
- (5) During the three months ended November 30, 2019, the Company recorded a flow-through share premium recovery of \$95,878.

### **Liquidity and Capital Resources**

The Company commenced fiscal 2020 with a working capital of \$84,594 and cash of \$451,541. As at November 30, 2019, the Company had a working capital deficiency of \$453,147 and cash of \$60,371.

Net cash provided by operating activities for the current six-month period was \$76,700 (2018 - \$27,185). The net cash used in operating activities for the period consists primarily of the operating loss and a change in non-cash working capital items.

Net cash used in investing activity during the current six-month period was \$314,470 (2018 - \$25,000) on property exploration.

Net cash from financing activity during the comparative period was \$877,740. During the six months ended November 30, 2018, the Company completed a private placement by issuing 350,750 non-flow-through shares at \$0.32 per share and 2,000,000 flow-through shares at \$0.40 per share for total gross proceeds of \$912,240.

There were no financing activities during the current six-month period ended November 30, 2019. Subsequently in December 2019, the Company closed the first tranche of private placement by issuing 463,600 share units for gross proceeds of \$115,900.

The Company will need to raise funds through debt or equity offerings in order to have sufficient working capital to sustain its operations for the next 12 months.

### **Related Party Transactions**

During the six months ended November 30, 2019, the Company entered into the following transactions with related parties:

- (a) The Company paid or accrued management fee of \$Nil (2018 - \$30,000) to the CFO. As of November 30, 2019, \$138,000 (May 31, 2019 - \$138,000) is owed to the CFO.
- (b) The Company paid or accrued management fees of \$Nil (2018 - \$45,000) to the Chief Executive Officer ("CEO"). As at November 30, 2019, \$202,500 (May 31, 2019 - \$202,500) is owed to the CEO of the Company.
- (c) The Company accrued \$Nil (2018 - \$8,000) and issued Nil (2018 - 1,650,000 shares (valued at \$627,000)) to the President of the Company to acquire the Blitz Property (Note 4). The Company also accrued or paid to the President \$3,200 (2018 - \$20,000) of consulting fees and \$4,200 (2018 - \$Nil) of equipment rental that are recorded in exploration and evaluation. As of November 30, 2019, \$31,370 (May 31, 2019 - \$30,171) is owed to the President.
- (d) The Company received a loan of \$Nil (2018 - \$25,000) from the CEO.
- (e) The Company granted 325,000 stock options (valued at \$31,239) to directors of the Company in July 2019.

Amounts due to related parties were due to companies controlled by directors and officers, were unsecured, were non-interest bearing and had no specific terms of repayment.

### **Off Balance Sheet Arrangements**

The Company has no off Balance Sheet arrangements.

### **Commitments**

The Company has no commitments.

### **Financial and Capital Risk Management**

#### Fair value

As at November 30, 2019, the Company's financial instruments comprise cash and cash equivalent, receivables, accounts payable and accrued liabilities and due to related parties. The carrying values of receivables, accounts payable and accrued liabilities, and accounts payable to related parties approximate their fair values due to the relatively short periods to maturity of these financial instruments.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

#### Credit Risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations.

The carrying amount of the Company's financial instruments best represents the maximum exposure to credit risk.

#### Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at November 30, 2019, the Company had a cash balance of \$60,371 (May 31, 2019 - \$451,541) and current liabilities of \$579,721 (May 31, 2019 - \$538,660).

The Company has historically relied on equity and debt financings to satisfy its capital requirements and will continue to depend heavily upon equity capital and debt to finance its activities. There can be no assurance the Company will be able to obtain the required financing in the future on acceptable terms.

#### Interest rate risk

The Company is not exposed to risk in the event of interest rate fluctuations. The Company has not entered into any interest rate swaps or other financial arrangements that mitigate the exposure to interest rate fluctuations.

#### Foreign currency risk

The Company's functional currency is the Canadian dollar and the majority of its purchases are transacted in Canadian dollars. From time to time, the Company funds certain operations, exploration and administrative expenses in US dollars on a cash call basis using US currency converted from its Canadian dollar bank accounts held in

Canada. Management believes the foreign exchange risk derived from currency conversions is not significant and therefore does not hedge its foreign exchange risk.

#### Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities. The Company relies mainly on equity issuances and loans from related parties to raise new capital. In the management of capital, the Company includes the components of shareholders' equity (deficiency). The Company prepares annual estimates of operating expenditures and monitors actual expenditures compared to the estimates in an effort to ensure that there is sufficient capital on hand to meet ongoing obligations. The Company's investment policy is to negotiate premium interest rates on savings accounts or to invest its cash in highly liquid short-term deposits with terms of one year or less and which can be liquidated at any time without interest penalty. The Company will require additional financing in order to provide working capital to fund costs for the current year. These financing activities may include issuances of additional debt or equity securities.

The Company currently is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management.

#### **Significant Accounting Policies, Critical Judgments and Estimates**

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates on the resulting effects of the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

All of the Company's significant accounting policies and estimates are included in Notes 2 and 3 of its unaudited condensed interim financial statements for the six months ended November 30, 2019 and its audited financial statements for the year ended May 31, 2019.

#### ***Adoption of new accounting policies***

The Company adopted IFRS 16, Lease, on June 1, 2019. The adoption of the new standard has no significant impact on the Company's financial statements.

#### **Subsequent events**

##### Private placement

On December 20, 2019 the Company announced a non-brokered private placement of up to 800,000 units at a price of \$0.25 per unit to raise gross proceeds of up to \$200,000. Each unit consists of one common share and one common share purchase warrant entitling the holder to acquire one common share at a price of \$0.50 per share for three years from the date of issuance.

On December 30, 2019, the Company closed the first tranche by issuing 463,600 units for gross proceeds of \$115,900.

##### Grant of stock option

On December 30, 2019, the Company granted 1,000,000 stock options to certain directors and consultants of the Company. Each option is exercisable into one common share at a price of \$0.25 per share for a period of 24 months.

### **Outstanding Share Data**

The following table summarizes the Company's outstanding share data as of the date of this MD&A:

	Number of shares Issued or issuable
Common shares	30,567,946
Stock options	2,900,000
Warrants	463,600

### **Corporate Governance**

The Company's Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Audit Committee of the Company fulfills its role of ensuring the integrity of the reported information through its review of the interim and audited annual financial statements prior to their submission to the Board of Directors for approval.

The Audit Committee, comprised of three directors, all of whom are independent, meets with management of the Company on a quarterly basis to review the financial statements, including the MD&A, and to discuss other financial, operating and internal control matters as required.

#### **Directors and Officers: (as at the date of this MD&A):**

Giovanni Gasbarro: Chief Executive Officer and Director  
Bruno Gasbarro: Chief Financial Officer and Director  
Mitchell E. Lavery: President and Director  
Salvatore Giantomaso: Director  
Blair Holiday: Director

Company contact:  
Bruno Gasbarro @ 604-725-2700

On behalf of the Board of Directors

*"Bruno Gasbarro"*

Bruno Gasbarro – January 22, 2020