FAR RESOURCES LTD.
FORM 51-102F1
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED MARCH 31, 2018

This management's discussion and analysis of financial position and results of operations ("MD&A") is prepared as July 30, 2018 and should be read in conjunction with the audited consolidated financial statements for the year ended March 31, 2018 of Far Resources Ltd. ("Far" or the "Company") with the related notes thereto. Those financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar amounts included therein and in the following MD&A are expressed in Canadian dollars except where noted.

Further information regarding the Company and its operations are filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) in Canada and can be obtained from www.sedar.com.

Disclaimer

Except for statements of historical facts relating to the Company, this MD&A contains "forward-looking statements" within the meaning of applicable securities legislation. These forward-looking statements are made as of the date of this MD&A and the Company does not intend and does not assume any obligation to update these forward-looking statements, except as required by applicable securities laws.

Forward-looking statements may include, but are not limited to, statements with respect to the future price of metals, the estimation of mineral resources, the realization of mineral resource estimates, the timing and amount of future exploration programs, capital expenditures, success of exploration activities, permitting timelines, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage, the completion of transactions and future listings and regulatory approvals. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information in this MD&A includes, among other things, disclosure regarding: the Company's mineral properties as well as its future outlook, statements with respect to the success of exploration activities, permitting timelines, costs and expenditure requirements for additional capital, regulatory approvals, as well as the information under the headings "Overall Performance", "Liquidity" and "Capital Resources".

In making the forward looking statements in this MD&A, the Company has applied certain factors and assumptions that it believes are reasonable, including that there is no material deterioration in general business and economic conditions; that the timing, costs and results of the Company's recommended exploration programs on its Winston, Tchentlo Lake, Zoro I, Zoro North, Hidden Lake and Manitoba Lithium properties are consistent with the Company's current expectations; that the Company receives regulatory and governmental approvals and permits for its properties on a timely basis; that the Company is able to obtain financing for its properties on reasonable terms and on a timely basis; that the Company is able to procure equipment and supplies in sufficient quantities and on a timely basis; that engineering and exploration timetables and capital costs for the Company's exploration plans are not incorrectly estimated or affected by unforeseen circumstances or adverse weather conditions; that any environmental and other proceedings or disputes are satisfactorily resolved.

However, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors may include, among others, actual results of current and proposed exploration activities; actual results of reclamation activities; future metal prices; accidents, labor disputes, adverse weather conditions, unanticipated geological formations and other risks of the mining industry; delays in obtaining governmental or regulatory approvals or financing or in the completion of exploration activities, as well as those factors discussed in the section entitled "Risks and Uncertainties" in this MD&A. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.

The technical information in this MD&A has been reviewed by Lindsay Bottomer, P. Geo., a director of the Company and a qualified person as defined by NI 43-101 and by Mark Fedikow, P.Geo, a qualified person as defined by NI 43-101.

1.1 Date

This MD&A is dated as of July 30, 2018.

1.2 Overall Performance

The Company either owns or has options on lithium exploration properties near Snow Lake, Manitoba and near Yellowknife, Northwest Territories. The Company is actively exploring both these properties and is expecting to publish a Technical Report under the provisions of NI 43-101 within the next 30 days with respect to the Zoro Lithium Property. The Zoro Lithium project is comprised of three contiguous areas/claim groups – the Zoro1 Claim which is 100% owned by the Company and the Manitoba and Zoro North Properties optioned from Strider Resources Ltd. The Hidden Lake Property, located in Northwest Territories, is optioned from 92 Resources Corp. In addition, the Company has acquired 100% ownership in the Winston Property, a gold and silver property located in New Mexico, USA, subject to certain permitted encumbrances. A description of each property and its acquisition or option details follows.

1.2.1 Lithium

The Zoro Lithium Property

Zoro I

On April 28, 2016, the Company entered into an agreement (the "Agreement") to option the Zoro I claim located in Manitoba, from Top Notch Marketing Ltd., R. Ross Blusson and Double-U-Em Investments Ltd. (the "Optionors"). The Company issued 1,000,000 shares to a finder for introducing the Company to the Optionors. To March 31, 2017, Far has paid the sum of $16,667 cash and issued a total of 333,333 common shares of Far to each of the Optionors. As at April 28, 2017, in order to maintain the Option in good standing, Far was required to pay the Optionors an aggregate additional consideration of $300,000.

Far Resources and the Optionors agreed to amend the terms of the original Agreement as follows:

Far may exercise and shall be deemed to have exercised the Option in full and earned a 100% interest in and to the Property, upon payment to the Optionors of the following consideration:

(a) the issuance to the Optionors of a total of 6,000,000 shares of Far at a fair value of $0.09 per share (collectively the "Closing Shares"), which Closing Shares shall be allocated equally amongst the Optionors on the basis of 2,000,000 Closing Shares each (issued); and

(b) the issuance to each of the Optionors of a non-interest bearing promissory note in the principal amount of $33,333 ($100,000 in total) payable on the first anniversary of the Completion Date (issued and repaid subsequent to the year-end).

The 6,000,000 Closing Payment Shares are subject to a statutory hold period of four months and one day; 1,666,667 Closing Shares are subject to an additional voluntary hold period expiring eight months after closing and an additional 1,666,667 Closing Shares are subject to a further voluntary hold period expiring 12 months after closing.

Manitoba Lithium Property

On August 4, 2016, the Company entered into an option agreement (the "Option Agreement") with Strider Resources Limited ("Strider") to acquire a 100% interest in and to all lithium-bearing pegmatite dykes on three contiguous claims in Manitoba (the "Property"). The Option Agreement sets the terms by which Far can acquire a 100% interest in the property subject to a 2% NSR (the "First Option") and further sets out how the Company can acquire an undivided fifty percent interest in the NSR, being one-half of the NSR or a 1% Net Smelter Return from the Strider (the "Second Option").

The Company may exercise the First Option by making the following cash payments and common share issuances to Strider:

a) Upon signing the Option Agreement the Company will pay to Strider $50,000 (paid) in cash and $50,000 in shares of Far (issued);
b) on or before first anniversary date of the Definitive Agreement the Company will pay to Strider $50,000 in cash and $50,000 in shares of Far (issued);
c) on or before second anniversary date of the Definitive Agreement the Company will pay to Strider $75,000 in cash and $75,000 in shares of Far; and
d) on or before third anniversary date of the Definitive Agreement the Company will pay to Strider $75,000 in cash and $75,000 in shares of Far.

All shares issued under the Option Agreement will be subject to a four month and one day statutory hold period from the date of issuance.

Provided the Company has exercised the First Option, Far Resources may exercise the Second Option by making a $1,000,000 cash payment to Strider, together with all accrued but unpaid NSR at the time, prior to the commencement of commercial production.

During the option period, Far Resources will be solely responsible for carrying out and administering exploration, development and mining work on the Property and for maintaining the Property in good standing.

Zoro North

In September 2017, the Company entered into an additional option agreement (the "Option Agreement") with Strider to acquire up to an 100% interest in the highly prospective ground contiguous with its Zoro 1 claim and the claims hosting the historic Thompson Brothers lithium-bearing pegmatite dyke near Snow Lake, Manitoba. The Option Agreement sets the terms which Far can acquire a 100% interest in the property subject to a 2% NSR (the "First Option") and further sets out how the Company can acquire an undivided fifty percent interest in the NSR, being one-half of the NSR or a 1% Net Smelter Return from the Optionors (the "Second Option").

The Company may exercise the First Option by making the following cash payments, common share issuances to Strider and incurring exploration expenditures:

a) upon signing the Option Agreement the Company will pay to Strider $25,000 in cash (paid) and $25,000 in shares (81,082 shares issued);

b) on or before September 20, 2018 the Company will pay to Strider $50,000 in cash and $50,000 in shares, and incur cumulative exploration expenditure of $50,000;

c) on or before September 20, 2019 the Company will pay to Strider $50,000 in cash and $50,000 in shares, and incur cumulative exploration expenditure of $100,000;

d) on or before September 20, 2020 the Company will pay to Strider $50,000 in cash and $50,000 in shares, and incur cumulative exploration expenditure of $150,000;

e) on or before September 20, 2021 the Company will pay to Strider $75,000 in cash and $75,000 in shares, and incur cumulative exploration expenditure of $200,000; and

f) on or before September 20, 2024, incur cumulative exploration expenditures of $500,000

All shares issued under the Option Agreement will be subject to a four month and one day statutory hold period from the date of issuance.

Provided the Company has exercised the First Option, the Company may exercise the Second Option by making a $1,000,000 cash payment to Strider, together with all accrued but unpaid NSR at the time, prior to the commencement of commercial production.

During the option period, the Company will be solely responsible for carrying out and administering exploration, development and mining work on the property and for maintaining the property in good standing.

Exploration at the Zoro Lithium Project, Snow Lake, Manitoba

Far Resources is currently exploring and developing the Zoro Lithium project in the Snow Lake region of Manitoba. Zoro includes eight identified pegmatite dykes. Prospecting and sampling programs conducted in 2016 confirmed the presence of lithium in the spodumene bearing pegmatites. Four drill programs have been completed to date, delivering high-grade lithium assays from all drill holes. Far Resources further assessed the amount of high-grade lithium spodumene in Dyke 1 through a winter drill program, reaching the dyke's deeper levels (>150). Additionally, the winter drill program was designed to expand to Dykes 5 and 7, to test historic results and recent assay results from trench and outcrop sampling of both dykes. During the 2017/18 winter drill program, the Company discovered a previously unknown spodumene-bearing pegmatite dyke at its Zoro Lithium Project. The discovery was made during the 2,472-metre, 19-hole drill program, as described in news releases on January 19 and February 13, 2018. The discovery of this additional dyke was made during the drill-testing of a Mobile Metal Ions (MMI) soil geochemical anomaly bringing the total of known high-grade dykes on the Zoro Lithium Property to eight. Further results from the winter drill program included narrow intercepts from shallow drill holes testing Dykes 2, 5 and 7. Of these, Dyke 5, tested by drill hole FAR18-30, intersected 1 metre of 1.2% Li_2O. Overall the results for each of these dykes were consistent with historic exploration results. The Company has posted the results of all drill programs and laboratory testing on its website at www.farresources.com.

A summer program has been undertaken at the Zoro Lithium Project as of the date of the MD&A. The 2018 Summer program consists of detailed geological mapping and drill core sampling, soil geochemical surveys and metallurgical drill core sampling.

Soil Geochemical Surveys
The successful drill testing of a MMI soil geochemical anomaly in 2017 has provided the rationale for expanding these surveys to the remainder of the property. A helicopter-assisted crew of field technicians is extending the current MMI survey coverage on the property with a plan to collect 800 samples.

Geological Mapping
A helicopter-assisted geological mapping crew is undertaking the first new mapping on the Zoro lithium project area since the 1950s. The project was undertaken to provide an interpretation of the geological setting of the spodumene-bearing pegmatite dykes and any post-depositional structural overprints that may have affected the current location of the dykes. The mapping project will be augmented by a drill core sampling program with the intent of assessing mineralogical and geochemical tools for vectoring towards additional pegmatites on the property. Both aspects of this summer's work will

form the basis of an M.Sc. thesis program to be carried out at the University of Western Ontario under the guidance of Professor Bob Linnen.

Metallurgical Drill Core Sampling
The Company is undertaking additional drill core sampling from Dyke 1 on the Zoro Lithium Project to provide additional material for the previously announced metallurgical survey, which is being undertaken by SGS Mineral Services. While additional material will be required from subsequent drilling, it is intended to provide three separate samples for metallurgical assessment. These samples will come from representative spodumene–bearing pegmatite in the northern, central and southern portions of Dyke 1.

Future Drill Program
Compilation of exploration databases including the results of winter 2017 drilling, results from ongoing MMI surveys and mapping, as well as recent UAV-drone aerial magnetic surveys, will be integrated to provide drill targets planned for a winter 2018 drill campaign.

Tantalite Potential
The 2016 intersection of 0.113% tantalum (Ta2O5) in drill hole DDH FAR16-001 and the presence of elevated tantalum assays on the property has motivated the Company to further evaluate tantalum potential. The mineral tantalite (Mn,Fe)(Ta,Nb)2O6 is the primary source of the metal tantalum. It is a dark blue-gray, dense and very hard mineral rarely found in pegmatites and is used in the electronics industry for capacitors and high-power resistors. It is also used to make alloys to increase strength, ductility and corrosion resistance. The metal is used in dental and surgical instruments and implants, as it causes no immune response.

NI43-101 Technical Report
On July 9, 2018, the Company announced that it had received the first ever resource estimate for Dyke 1 on its Zoro Lithium Property. Dyke 1 contains an inferred resource of 1,074,567 tonnes grading 0.91% Li2O, 182 ppm Be, 198 ppm Cs, 51 ppm Ga, 1212 ppm Rb, and 43 ppm Ta (at a cut-off of 0.3% Li2O). Dyke 1 is open at depth and to the north and south where additional exploration is ongoing. The estimate has an effective date of July 6, 2018, and was prepared by Scott Zelligan P. Geo., an independent resource geologist of Coldwater, Ontario. Dyke 1 is one of eight known spodumene-mineralized pegmatite dykes on the property. The remaining dykes are currently the object of ongoing exploration including drill-testing.

Hidden Lake

In January 2018, the Company entered into a binding letter agreement with 92 Resources Corp ("92 Resources") to acquire up to 90% interest in the Hidden Lake Lithium Property, Northwest Territories.

The Hidden Lake Project consists of five contiguous mineral claims totalling approximately 1,659 hectares within the central parts of the Yellowknife Lithium Pegmatite Belt along Highway 4, approximately 40 km east of Yellowknife. 92 Resources' 2016 exploration results returned 1.90% Li2O over 9 m and grab samples up to 3.3% Li2O. Metallurgical test work has produced a high-grade mineral concentrate of 6.16% Li2O with an average spodumene lithium content of 3.8 per cent lithium (8.2% Li2O). Thus far, 92 Resources has channel sampled four dykes extensively which range between 275 and 790 m in length and up to about 10 m in length which returned an average lithium concentration of 1.03% Li 2 O for the 308 samples with surface samples up to 3.3% Li 2 O. Due to the success of the programs, preliminary metallurgical test work and scoping lithium extraction tests were conducted. The scoping test work achieved an overall extraction of 97%, indicating that industry standard lithium extraction techniques applied to typical spodumene concentrates are applicable to concentrates produced from the pegmatites at Hidden Lake. The Hidden Lake Project is easily road accessible and its proximity to infrastructure provides for numerous development advantages.

Under the terms of the agreement, the Company can earn up to 90% interest in the property as follows:

a) the consideration for the initial 60% interest:
    i) cash payment of $50,000 upon execution of the agreement (paid).

- ii) issuance of 555,555 common shares (issued and valued at $225,000) upon execution of the agreement.
- iii) exploration expenditures of $500,000 to be incurred by January 22, 2019.

b) the consideration for an additional 10% interest (70% total):
- i) issuance of common shares with a fair market value of $250,000 based on the average market price to a maximum of $1.5 per share by January 22, 2019.
- ii) additional exploration expenditures of $500,000 to be incurred by January 22, 2020.

c) the consideration for an additional 10% interest (80% total):
- i) issuance of common shares with a fair market value of $300,000 based on the average market price to a maximum of $1.5 per share by January 22, 2020.
- ii) additional exploration expenditures of $600,000 to be incurred by January 22, 2021.

d) the consideration for an additional 10% interest (90% total):
- i) issuance of common shares with a fair market value of $400,000 based on the average market price to a maximum of $1.5 per share by January 22, 2021.
- ii) additional exploration expenditures of $700,000 to be incurred by January 22, 2022.

<u>Exploration at the Hidden Lake Property, Northwest Territories</u>

In May 2018, the Company announced it had mobilized a drill rig to its Hidden Lake Lithium Project (the "Hidden Lake Project"), targeting high-grade lithium-bearing pegmatites with an initial minimum 1,100 metre diamond drilling campaign. Far signed the drill contract with Northtech Drilling for the program which was helicopter supported by Great Slave Helicopters and managed in the field by Henry Lole with John Gorham (P.Geo. NWT) as supervising geologist. Extensive channel sampling at Hidden Lake conducted by 92 Resources Corp., ("92 Resources") has returned grades as high as 3.3% Li2O at surface. The Company has completed an 1100 metre drill program, with the goal of defining continuity of mineralization at depth. A total of 197 core samples were collected and have been submitted to SGS Mineral Services (Lakefield) for lithium and multi-element analysis. Results are pending.

Although this drill campaign targeted four dykes, the Hidden Lake Project itself hosts a swarm of at least ten lithium-bearing spodumene pegmatite dykes that have been identified by previous explorers. Very recent mineralogical evaluation and metallurgical testing of samples from the Hidden Lake pegmatites by SGS Mineral Services (Vancouver) indicates a lithium concentrate of >6% Li2O with a recovery of >80% are achievable. These results indicate the Hidden Lake pegmatites can be treated using standard industry practices for spodumene beneficiation.

The Company will be the operator of the Hidden Lake Lithium Property and shall have the right to accelerate the exercise of the option in its sole discretion. However, if the Company exercises the option to earn less than 90% of the Hidden Lake Project and a joint venture with 92 Resources is formed, the Company will be responsible for funding the initial $1,000,000 in joint venture expenditures.

1.2.2 Gold and Silver

Winston

During the year ended March 31, 2015, the Company entered into an option agreement with Redline Minerals Inc. ("Redline"), Redline Mining Corporation ("RMC"), and Southwest Land & Exploration Inc. ("SWLE") (collectively, the "Optionors") to acquire up to an 80% interest in the Winston Property located in Sierra County, New Mexico, U.S.A.

During the years ended March 31, 2016 and 2017, the Company amended the option agreement with the Optionors to acquire an initial 50% interest upon completion of the following:

a) Cash payment of non-refundable deposits of $35,000 (paid);
b) Cash payments of $81,250 (paid);
c) Cash payment of $13,750 on or before November 15, 2014 (paid);
d) Share issuance of 300,000 common shares of the Company on January 15, 2015 (issued);

e) Cash payments of $120,000 as follows;
   1. Cash payment of $40,000 on or before February 28, 2016 (paid);
   2. Cash payment of $40,000 on or before June 1, 2016 (paid);
   3. Cash payment of $40,000 on or before June 1, 2017 (see below);
f) Issuance of 2,500,000 common shares (1,500,000 shares issued) of the Company as follows;
   1. Issue 500,000 common shares on or before October 17, 2014 (issued);
   2. Issue 500,000 common shares on or before October 17, 2015 (issued);
   3. Issue 500,000 common shares on or before October 17, 2016; (issued)
   4. Issue 500,000 common shares on or before October 17, 2017 (see below);
   5. Issue 500,000 common shares on or before October 17, 2018 (see below); and
g) Incurring exploration expenditures totaling $300,000 due on or before October 17, 2017.

The agreement was also amended to include a further option to acquire up to an additional 30% (80% in total interest).

In exchange for the amendment of the option agreement, the Company issued 100,000 common shares at a fair value of $3,000 on February 26, 2016.

During the year ended March 31, 2017, the Company made a $25,000 cash payment to the original vendors of the Winston Property.

During the year ended March 31, 2018, the Company's wholly owned subsidiary offered to acquire a 100% interest to the claims from the Optionors by completing the following:

a) Cash payment of $35,000 (paid);
b) Issuance of 2,500,000 common shares of the Company (issued and valued at $275,000); and
c) Issuance of a $50,000 non-interest bearing promissory note which is repayable on August 24, 2017 (issued and repaid).

In accordance with the terms and condition of the underlying purchase agreement in order to complete the acquisition of the Little Granite claims, the Company is required to make the following payments:

a) Cash payments of US $12,000 on or before July 15, 2017; (US$6,000 paid and US$6,000 paid subsequently)
b) Cash payments of US $6,000 on or before March 31, 2018; (US$4,000 paid subsequently)
c) Cash payments of US $12,000 on or before July 15, 2018;
d) Cash payments of US $12,000 on or before July 15, 2019;
e) Cash payments of US $12,000 on or before July 15, 2020;
f) Cash payments of US $380,000 on or before October 15, 2020;

In accordance with the terms and condition of the underlying purchase agreement in order to complete the acquisition of the Ivanhoe/Emporia claims, the Company is required to pay the original owner of the claims the remaining purchase price of US$361,375 (US$6,000 paid during the year and US$12,000 paid subsequently). Before the remaining purchase price is paid in full, the Company is subject to a minimum monthly royalty payment based on monthly average silver price. The accrued minimum monthly royalty payments outstanding as of March 31, 2018 totals US$156,625. The agreement also entitles the owner to a permanent production royalty of 2% of NSR.

Tchentlo Lake

The Company staked various claims in the Tchentlo Lake Property (the "Property") located approximately 100 kilometres northwest of Fort St. James, British Columbia. The Company holds a 100% interest in the Tchentlo Lake Property comprised of two mineral tenures in two separate claim blocks.

In June 2014, the Company entered into an option agreement with Alchemist Mining Inc. ("Alchemist"), a corporation in which the CEO is a family member of the Company's former CEO, whereby Alchemist may acquire up to 80% undivided interest in the Company's Tchentlo Lake Property.

During the year ended March 31, 2016, the option agreement with Alchemist was amended. As a result, the amount of expenditures in exploration activities on the Property which shall be incurred by Alchemist on or before August 20, 2015 was reduced from $25,000 to $nil and the number of Alchemist shares which shall be issued to the Company on or before August 20, 2015 was reduced from 150,000 common shares of Alchemist to nil.

During the year ended March 31, 2017, the option agreement with Alchemist was further amended. As a result, the amount of expenditures in exploration activities on the Property which shall be incurred by Alchemist on or before August 20, 2016 was reduced from $80,000 to $nil, the number of Alchemist shares which shall be issued to the Company on or before August 20, 2016 was reduced from 250,000 common shares of Alchemist to 100,000 and the cash to be paid to the Company on or before August 20, 2016 was reduced from $20,000 to $5,000.

Under the amended terms of the agreement, Alchemist can earn 51% interest in the Property by:

a) Paying $45,500 to the Company as follows;
    i. Cash payment of $5,500 within 5 days of the date which Alchemist completes a private placement financing (received);
    ii. Cash payment of $10,000 on or before September 8, 2015 (received);
    iii. Cash payment of $5,000 on or before August 20, 2016 (received);
    iv. Cash payment of $25,000 on or before August 20, 2017;
b) Issuing 200,000 common shares of Alchemist to the Company as follows;
    i. Issue 100,000 common shares within 5 days of the date which Alchemist completes a private placement financing (received on August 20, 2014 valued at $5,500);
    ii. Issue 100,000 common shares on or before August 20, 2016 (received and valued at $4,000);
c) Incurring $175,000 of expenditures in exploration activities on the Property as follows;
    i. Incurring exploration expenditures in the amount of $175,000 on or before August 20, 2017.

Upon acquisition of the undivided 51% interest in the Property, Alchemist can choose to exercise the following options:

a) form a joint venture with the Company, wherein Alchemist holding a 51% Participating Interest and the Company holding a 49% Participating Interest; and
b) acquire an additional 29% interest in the Property, increasing its interest to 80% (the "Bump-Up Right") by:
    i. Paying $75,000 to the Company (cash payment of $25,000 on or before August 20, 2018 and cash payment of $50,000 on or before August 20, 2019);
    ii. Issuing 500,000 common shares of Alchemist to the Company (issuing 250,000 common shares on or before August 20, 2018 and issuing 250,000 common shares on or before August 20, 2019); and
    iii. Incurring an additional $575,000 in expenditures on the Property (incurring exploration expenditures in the amount of $225,000 on or before August 20, 2018 and incurring exploration expenditures in the amount of $350,000 on or before August 20, 2019).

In the event Alchemist exercises the Bump-Up Right, a joint venture will be formed with Alchemist holding an 80% Participating Interest and the Company holding a 20% Participating Interest in the Property.

The Company will retain a 2% net smelter royalty on the Property, of which Alchemist may purchase 1% on or before August 20, 2021 for $500,000.

All share issuances pursuant to the agreement will be subject to a four-month and one day statutory hold period.

During the year ended March 31, 2018, the Company decided to abandon the property and wrote off exploration and evaluation assets of $84,975.

1.3 Selected Annual Information

The following table sets forth selected financial information for the Company expressed in Canadian dollars for the three most recently completed financial years and should be read in conjunction with the Company's consolidated financial statements and related notes for such periods.

	For the Fiscal Year Ended March 31, 2018	For the Fiscal Year Ended March 31, 2017	For the Fiscal Year Ended March 31, 2016
Revenue	$ -	$ -	$ -
Expenses	$ 10,640,874	$ 1,230,431	$ 180,531
Total comprehensive loss	$ 10,655,708	$ 1,263,136	$ 182,531
Loss per share – basic and diluted	$ (0.12)	$ (0.03)	$ (0.01)
Working capital (deficiency)	$ 2,585,515	$ (6,122)	$ (360,860)
Exploration & Evaluation assets	$ 3,955,682	$ 1,188,446	$ 289,391
Total assets	$ 7,497,243	$ 1,586,415	$ 308,506
Deficit	$ 13,588,593	$ 3,048,516	$ (1,785,380)
Weighted average number of common shares outstanding	86,352,504	48,221,356	21,922,186

1.4 Summary of Quarterly Results

A summary of selected financial information for the eight most recently completed quarters is set out below and should be read in conjunction with the Company's consolidated interim financial statements and related notes for such periods.

	Three Months Ended March 31, 2018	Three Months Ended December 31, 2017	Three Months Ended September 30, 2017	Three Months Ended June 30, 2017
Revenue	$ -	$ -	$ -	$ -
Expenses	$ 2,614,766	$ 6,869,872	$ 805,444	$ 350,792
Total comprehensive loss	$ 2,644,378	$ 6,838,868	$ 839,471	$ 332,991
Loss per share – basic and diluted (1)	$ (0.03)	$ (0.07)	$ (0.01)	$ (0.01)
Total assets	$ 7,497,243	$ 5,737,274	$ 4,113,373	$ 2,795,875
Total liabilities	$ 930,046	$ 916,028	$ 417,140	$ 429,803
Total equity (deficit)	$ 6,567,197	$ 4,821,246	$ 3,696,233	$ 2,366,071
Weighted average number of common shares outstanding	99,874,309	92,712,673	75,764,628	64,442,785

	Three Months Ended March 31, 2017	Three Months Ended December 31, 2016	Three Months Ended September 30, 2016	Three Months Ended June 30, 2016
Revenue	$ -	$ -	$ -	$ -
Expenses	$ 411,379	$ 276,700	$ 347,065	$ 195,287
Total comprehensive loss	$ 330,616	$ 358,168	$ 381,065	$ 193,287
Loss per share – basic and diluted (1)	$ (0.00)	$ (0.01)	$ (0.01)	$ (0.00)
Total assets	$ 1,586,415	$ 1,497,872	$ 1,141,840	$ 1,213,857
Total liabilities	$ 394,091	$ 342,013	$ 275,212	$ 357,223
Total equity (deficit)	$ 1,192,324	$ (1,155,859)	$ (2,359,732)	$ (1,978,667)
Weighted average number of common shares outstanding	58,715,376	53,155,259	46,383,222	31,727,134

(1) Based on the weighted average number of common shares outstanding during the period.

For the year ended March 31, 2018

The Company earned no revenue and had a comprehensive loss of $10,655,708 (2017 - $1,263,136).

Total expenses were $10,640,874 (2017 – $1,230,431), comprised of the following significant items:

- Consulting of $941,077 (2017 - $419,007) were related to a number of consultants hired to assist with the Company's operations in the current year.
- Investor relations of $658,681 (2017 - $48,418) increased due to greater promotional services incurred related to seeking additional financing for the current year.
- Management fees of $145,000 (2017 - $144,220) were related to director fees and administrative fees paid or accrued. The increase is a result of new management compensation plans put in place.
- Office of $60,428 (2017 - $34,733) were related to general costs associated with the Company's operations in the current year.
- Professional fees of $253,150 (2017 - $71,488) were accounting accruals and legal fees related to the shares issuance in the period.
- Share-based payments of $8,433,216 (2017 - $423,145) includes $7,573,216 related to stock options granted to management, directors, and consultants, and $860,000 management fee bonus paid by shares to the former CEO.
- Transfer agent and filing fees of $94,714 (2017 - $51,821) were related to other issuance costs incurred from private placement, and options and warrants exercise.
- Travel of $54,607 (2017 - $37,599) were related to costs associated with accommodation on trips in the current year.
- Gain on shares for debt of $17,701 (2017 – loss of $32,205) were primarily related to settlement of related and non-related parties balance for the current year.
- Gain on write-off of accounts payable of $40,898 (2017 – $Nil) from forgiveness of debt from a firm of which the CFO of the Company is a partner.
- Unrealized gain on investment of $16,000 (2017 - $1,500) from increase in fair value of Alchemist Mining Inc. shares during the current year.
- Write-off of exploration and evaluation assets of $84,975 due to the Company abandoned the exploration of the Tchentlo Lake and wrote off the property.

1.5 Liquidity

The Company has not generated any revenue from operations and to date has relied entirely upon the sale, by way of private placement, of common shares and units to carry on its business. See Item 1.6 "Capital Resources" below.

The Company's consolidated financial statements have been prepared on a going concern basis and assume that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing.

		March 31, 2018		March 31, 2017
Working capital (deficiency)	$	2,585,515	$	(6,122)
Deficit	$	(13,588,593)	$	(3,048,516)

Net cash used in operating activities for the year ended March 31, 2018 was $1,953,535 compared to $469,688 used during the year ended March 31, 2017 and primarily consists of changes in non-cash working capital items including share-based payment and shares for services.

Net cash used in investing activities for the year ended March 31, 2018 was $974,850 compared to $574,316 during the year ended March 31, 2017 and primarily consists of acquisition costs and property expenditures during the year.

Net cash provided by financing activities for the year ended March 31, 2018 was $5,829,523 compared to $1,341,940 provided during the year ended March 31, 2017. The increase was due to proceeds from private placement, options and warrants exercised during the year.

The Company is continuing its exploration program and will use its available working capital to continue this work. It is possible the Company will need to obtain additional debt/equity financing in order to carry out further exploration programs on its properties depending on the results of recent exploration and to satisfy its business and property commitments for the ensuing year. The Company intends to rely on equity or debt financing from arm's length parties to fund its operations for the upcoming year. The Company may find it necessary to issue shares to acquit some of its existing debt obligations.

1.6 Capital Resources

As of the date of the MD&A, the Company is continuing its exploration program on the Zoro Lithium Property, with a winter drill program planned for 2017/2018. The Company intends to use available working capital and may issue common shares in the equity of the Company to cover the cost of this program.

During to the period from April 1, 2017 to July 30, 2018, the Company:

- issued 542,985 shares valued at $54,299 to settle $72,000 of debt with related parties, recognizing a gain on shares for debt of $17,701;

- issued 1,663,615 shares for exploration and evaluation expenditures valued at $185,301 and 1,046,962 shares for other services valued at $202,242;

- issued 8,500,000 common shares with a fair value of $815,000 for the acquisition of Zoro I and Winston properties;

- completed a financing on May 29, 2017 of 3,500,000 units at a price of $0.09 per unit for gross proceeds of $315,000. Each unit in the private placement consists of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share at an exercise price of $0.15 for a period of one year;

- issued 294,118 common shares with a fair value of $50,000 pursuant to the acquisition of Manitoba Lithium Property;

- issued 10,420,000 common shares upon the exercise of options for gross proceeds of $3,846,590, and accordingly, the Company relocated $3,679,583 of share-based payment reserve to share capital; The weighted average trading price of the Company's shares on the date of the exercise was $0.51.

- issued 10,615,556 common shares upon the exercise of warrants for gross proceeds of $1,119,333;

- issued 1,371,000 common shares upon the exercise of agents' warrants for gross proceeds of $137,100, and accordingly, the Company relocated $155,820 of warrant reserve to share capital;

- issued 81,082 common shares with a fair value of $25,000 pursuant to the acquisition of Zoro North property;

- completed a financing on October 18, 2017 of 338,983 units at a price of $0.295 per unit for gross proceeds of $100,000. Each unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share at an exercise price of $0.40 for a period of one year;

- completed a financing on November 20, 2017 of 202,020 units at a price of $0.495 per unit for gross proceeds of $100,000. Each unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share at an exercise price of $0.60 for a period of one year;

- issued 1,000,000 common shares (valued at $860,000) as bonus for services provided by the former CEO of the Company;

- completed a financing on February 20, 2018 of 350,000 units at a price of $0.56 per unit for gross proceeds of $196,000. Each unit in the private placement consists of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share at an exercise price of $0.70 for a period of one year; and

- issued 555,555 common shares with a fair value of $225,000 pursuant to the acquisition of Hidden Lake Lithium property;

- issued 50,000 common shares upon the exercise of options for gross proceeds of $14,500;

- issued 1,759,445 common shares upon the exercise of warrants for gross proceeds of $235,667;

- issued 18,480 shares for settlement of debt with related party of $6,000;

- issued 120,973 shares for services of $59,000;

- issued 234,000 shares for shares to be issued of $210,000;

Contractual Obligations

Other than miscellaneous stock option and consulting agreements, the Company does not presently have any other material contractual obligations. See Item 1.8 "Transactions with Related Parties".

As at March 31, 2018, the Company had no long-term debt.

1.7 Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements

1.8 Transactions with Related Parties

During the period ended December 31, 2017, the Company:

Paid or accrued to:	Nature of transaction	For the year ended March 31, 2018	For the year ended March 31, 2017
Key management personnel:			
Directors	Management fees/Consulting fees/ Share-based payments	$ 257,447	$ 41,760
Former CEO	Management fees/Consulting fees/ Share-based payments	1,553,893	126,000
CEO	Management fees/Consulting fees/ Share-based payments	251,817	-
		$ 2,063,157	$ 167,760
A firm of which the CFO is a partner	Professional fees	$ -	$ 30,100
A company owned by the CFO	Professional fees	141,400	-

The amounts due to related parties included in accounts payable and accrued liabilities are as follows:

	As at March 31, 2018	As at March 31, 2017
Due to a firm of which the CFO of the Company was a partner	$ -	$ 86,639
Due to a company owned by the CFO of the Company	166,612	-
Due to directors, CEO and former CEO of the Company	101,700	133,297
	$ 268,312	$ 219,936

1.9 Proposed Transactions

Save as disclosed herein, there are no asset or business acquisitions or dispositions currently being proposed by the directors or senior management of the Company that will have a material effect on the financial condition, results of operations or cash flows of the Company other than the proposed statutory plan of arrangement, under Part 9 Division 5 of the Business Corporations Act (British Columbia) wherein shareholders will have the opportunity to vote on a plan of arrangement that will create two companies with separate management teams and boards of directors, one of which will be dedicated to advancing the Zoro Lithium Property and one which will pursue the Winston Project (the "Plan of Arrangement"). See the Company's news releases dated July 18, 2017 and October 4, 2017.

1.10 New Accounting Standards and Amendments to Existing Standards

New accounting standards and recent pronouncements

Please refer to the consolidated financial statements on www.sedar.com.

1.11 Financial and Other Instruments

Capital and Financial Risk Management

Capital management

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern.

In the management of capital, the Company monitors its adjusted capital which comprises all components of equity (i.e. capital stock, reserves and deficit).

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue Common Shares through private placements. The Company is not exposed to any externally imposed capital requirements.

The Company's overall strategy remains unchanged from fiscal year 2017.

Fair value

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's long term investment constitutes a Level 1 fair value measurement.

The carrying value of cash, short-terms loan payable and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Financial risk factors

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 loss associated with a counterparty's inability to fulfil its payment obligations. Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with major Canadian financial institutions.

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 March 31, 2018, the Company had a cash balance of $3,213,505 (March 31, 2017 – $312,367) to settle current liabilities of $930,046 (March 31, 2017 – $394,091). All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(a) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's cash does not have significant exposure to interest.

(b) Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in a foreign currency. As at March 31, 2018 and 2017, the Company did not have any accounts in foreign currencies and considers foreign currency risk insignificant.

(c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

1.12 Other MD&A Requirements

Disclosure of Outstanding Security Data

As at July 30, 2018, the following shares and options were issued and outstanding:

	Issued & Outstanding	Authorized
Share capital		
- Common	103,478,396	unlimited
Options	9,068,000	
Warrants	900,500	
Agent's warrants	30,000	
Fully Diluted:	113,476,86	

Except as disclosed above, there are no other options, warrants or other rights to acquire common shares of the Company outstanding.

Additional Disclosure for Junior Issuers

The Company requires additional funds to cover the estimated general and administrative expenses. There can be no assurance that financing, whether debt or equity, will always 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. See "Risks and Uncertainties" below. Please refer to the Company's financial statements for information on the exploration expenditures on a property by property basis.

Risks and Uncertainties

Mineral exploration is subject to a high degree of risk, which even a combination of experience, knowledge and careful evaluation may fail to overcome. These risks may be even greater in the Company's case given its formative stage of development.

Exploration activities are expensive and seldom result in the discovery of a commercially viable resource. There is no assurance that the Company's exploration will result in the discovery of an economically viable mineral deposit. The Company has generated losses to date and anticipates that it will require additional funds to further explore its properties. There is no assurance such additional funding will be available to the Company on commercially reasonable terms or at all. Additional equity financing may result in substantial dilution thereby reducing the marketability of the Company's shares. The Company's activities are subject to the risks normally encountered in the mining exploration business. The economics of exploring, developing and operating resource properties are affected by many factors including the cost of exploration and development operations, variations of the grade of any ore mined and the rate of resource extraction and fluctuations in the price of resources produced, government regulations relating to royalties, taxes and environmental protection and title defects. The Company's mineral resource properties have not been surveyed and may be subject to prior unregistered agreements, interests or land claims and title may be affected by undetected defects. In addition, the Company may become subject to liability for hazards against which it is not insured. The mining industry is highly competitive in all its phases and the Company competes with other mining companies, many with greater financial and technical resources, in the search for, and the acquisition of, mineral resource properties and in the marketing of minerals. Additional risks include the current lack of any market for the Company's securities and the present intention of the Company not to pay dividends. Certain of the Company's directors and officers also serve as directors or officers of other public and private resource companies, and to the extent that such other companies may participate in ventures in which the Company may participate, such directors and officers of the Company may have a conflict of interest. Finally, the Company has no history of earnings, and there is no assurance that any of its current or future mineral properties will generate earnings, operate profitably or provide a return on investment in the future. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

For a more detailed discussion of the risk factors affecting the Company and its exploration activities, please refer to the Prospectus which can be assessed on the SEDAR website at **www.sedar.com**.

Change in Management

On February 27, 2018, the Company announced that due to ill health, Mr. Keith Anderson had resigned as a Director, President and CEO of the Company. Mr. Toby Mayo, a Director of the Company, accepted the position of Interim CEO at that time. Following the Company's annual general meeting of shareholders held in May 2018, the Board of Directors appointed Mr. Mayo as permanent President and CEO.

Mr. Mayo has over twenty years of comprehensive and varied global resource industry experience. He holds a B.Sc. (Hons) degree in Geology from the University of Edinburgh and an LL.B. (Hons) in Law from the University of London. Mr. Mayo has most recently held senior management positions at two TSX Venture Exchange listed mineral exploration companies as President and CEO and also has extensive consulting and corporate development experience. He began his career as an exploration geologist for Rio Tinto in South America, northern and eastern Europe. Subsequently Mr. Mayo worked in a number of senior consulting roles including within the Investment and Business Planning group at Hatch in London and as Senior Technical Advisor for Ivanhoe Mines Ltd. on the development of the Oyu Tolgoi project in Mongolia. He also has experience within the technology and software industry, providing services to the resource sector. Mr. Mayo possesses financial, commercial, technical, project management, IR and legal skills, with experience completing techno-economic and transaction-related studies of mining and metals projects across the globe.