INTERNATIONAL BATTERY METALS LTD.

(Formerly Rheingold Exploration Corp.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and nine-month period ended October 31, 2018

Dated December 31, 2018

INTERNATIONAL BATTERY METALS LTD.

(Formerly Rheingold Exploration Corp.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

Introduction

This Management's Discussion and Analysis ("**MD&A**") of the consolidated financial position and results of operations of International Battery Metals Ltd., Formerly Rheingold Exploration Corp., (the "**Company**" or "**IBAT**") should be read in conjunction with the unaudited condensed interim financial statements of the Company for the three and nine month period ended October 31, 2018 and the related notes contained therein. The financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("**IAS 34**"). All dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information relevant to the Company and its activities can be found on SEDAR at www.sedar.com.

This MD&A is current as of December 31, 2018.

Forward Looking Statements and Forward-Looking Information

The information provided in this MD&A may contain forward-looking statements and forward-looking information about IBAT within the meaning of applicable securities laws. In addition, IBAT may make or approve certain statements or information in future filings with Canadian securities regulatory authorities, in news releases, or in oral or written presentations by representatives of IBAT that are not statements of historical fact and may also constitute forward-looking statements or forward-looking information. All statements and information, other than statements of historical fact, made by IBAT that address activities, events, or developments that IBAT expect or anticipate will or may occur in the future are forward-looking statements and information, including, but not limited to, statements and information preceded by, followed by, or that include words such as "may", "would", "could", "will", "likely", "expect", "anticipate", "believe", "intends", "plan", "forecast", "budget", "schedule", "project", "estimate", "outlook", or the negative of those words or other similar or comparable words.

Forward-looking statements and information involve significant risks, assumptions, uncertainties and other factors that may cause actual future performance, achievement or other realities to differ materially from those expressed or implied in any forward-looking statements or information and, accordingly, should not be read as guarantees of future performance, achievement or realities.

Actual performance, achievement or other realities could differ materially from those expressed in, or implied by, any forward-looking statements or information in this MD&A and, accordingly, investors should not place undue reliance on any such forward-looking statements or information. Further, any forward-looking statement or information speaks only as of the date on which such statement is made, and IBAT does not undertake any obligation to update any forward-looking statements or information to reflect information, events, results, circumstances, realities or otherwise after the date on which such statement is made or to reflect the occurrence of unanticipated events, except as required by law, including securities laws. All forward-looking statements and information contained in this MD&A and other documents of IBAT are qualified by such cautionary statements. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on IBAT's business or the extent to which any factor, or combination of factors, may cause actual realities to differ materially from those contained in any forward-looking statements.

In addition, forward-looking statements and information herein, including financial information, is based on certain assumptions relating to the business and operations of IBAT. Although IBAT has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements and forward-looking information in this MD&A, and the documents incorporated by reference herein, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There is no assurance that such statements and information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information contained in this MD&A.

The Company

International Battery Metals Ltd. is a resource exploration and technology company that is developing technologies for the extraction and processing of lithium from various sources. The objective of management is to maximize shareholder value by developing or acquiring lithium extraction technologies as well as lithium resource properties and attempting to produce lithium in a cost-effective and technically sound manner. The Company's head office is located at Suite 510 744 West Hastings Street, Vancouver, British Columbia, V6C 1A5 and the Company's registered and records office is located at 725 Granville Street, Pacific Centre, Suite 400, Vancouver, BC V7Y 1G5.

The Company was incorporated in the Province of British Columbia on July 29, 2010. The fiscal year end of the Company is January 31. The Company changed its name from Rheingold Exploration Corp. to International Battery Metals. Ltd. on August 23, 2017.

On February 25, 2015, the Company voluntarily delisted its common shares from the TSX Venture Exchange, and on February 26, 2015, the Company's common shares commenced trading on the Canadian Securities Exchange under the symbol "RGE".

On August 23, 2017 the Company changed its name to International Battery Metals Ltd and commenced trading under the symbol "IBAT".

On April 13, 2018, the Company closed an asset purchase agreement with North American Lithium Inc. ("NAL") and Selective Adsorption Lithium ("SAL") a company controlled by shareholders of NAL pursuant to which the Company acquired NAL's data, analysis and reports related to lithium extraction from oil field brines for petro-lithium extraction projects.

Overall Performance

The key factors pertaining to the Company's overall performance for the nine-month period ended October 31, 2018 are as follows:

- The Company had a working capital surplus of $941,847 as at October 31, 2018, as compared to a working capital surplus of $42,573 as at January 31, 2018. The reason for this increase in working capital is primarily due to the Company raising equity financings for the period ended October 31, 2018.

- The Company incurred a net loss of $3,873,493 for the nine-month period ended October 31, 2018, as compared to a net loss of $2,273,999 for the nine-month period ended October 31, 2017. The primary reason for this increased net loss was due to increases in advertising and promotion, loan interest accretion, and share-based payments and management fees for the first three quarters versus the same period the year prior.

- The Company has no operating cash flow and its level of operations has been determined by the availability of capital resources. Cash used in operating activity for the quarter ended October 31, 2018 was $3,147,352 compared to cash used in operating activity for the quarter ended October 31, 2017 of $1,191,687. The reason for the increased use of cash during the period relates to increased advertising and promotion expenses, consulting and salaries and benefits.

Acquisition

On April 13, 2018, the Company closed the asset purchase agreement with North American Lithium Inc. (“NAL”) and Selective Adsorption Lithium (“SAL”) a company controlled by shareholders of NAL pursuant to which the Company will acquire NAL’s data, analysis and reports related to lithium extraction from oil field brines for petro-lithium extraction projects for USD$875,000 and will acquire 100% of SAL which holds intellectual property for 25,309,488 common shares of the Company (the “Acquisition”). The Company granted a 5% gross profits royalty to NAL. The Acquisition is subject to approval by the Canadian Securities Exchange, all necessary regulatory approvals and approvals of the shareholders.

NAL is a California corporation that has developed unique technology that allows direct extraction of lithium from complex brines such as those found in oil fields.

The technology involves processes that are highly selective for lithium and an extraction system that allows lithium extraction from complex brines with only minimal pretreatment. There is no need to pretreat the brine to remove divalent cations such as calcium or magnesium. The process also inherently rejects troublesome anions such as sulfate and borate. Rather, brine flows into the process. Lithium chloride is removed, and the brine is injected back into the ground through an environmentally permitted well.

The output of these patent pending processes is a clean lithium salt solution that is suitable for further processing to desired products. Additionally, the patent pending process and equipment are specifically designed to be compatible with the demands of remote oilfield operations.

NAL's technology provides significant advantages including significant cost savings due to minimal brine pretreatment and exceedingly low chemical consumption. The unique equipment design also allows rapid implementation, minimizing traditional lag time for bringing resources on line.

NAL is led by Dr. John Burba who has 40 years' experience with Dow Chemical, FMC, and Simbol Minerals in the lithium extraction industry.

During the year ended January 31, 2018, deferred acquisition costs of $703,277 related to cash paid to the acquisition. During the nine-month period ended October 31, 2018, additional acquisition costs of $3,149,025 were incurred. The consideration for the acquisition, Performance Shares will be issued upon SAL achieving certain milestones (the "Milestones") as follows:

Milestone	**Number of Performance Shares to be issued**
Shares on Closing Date (issued on April 13, 2018)	4,700,000
Shares on SAL and the Company filing three US or foreign patent applications with respect to intellectual property	4,000,000
Shares on SAL the Company filling thee additional patents with respect to intellectual property	5,536,496
Shares on SAL the Company filling thee additional patents with respect to intellectual property	5,536,496
Shares upon the Company completing either of the following: one or more private placements financing(s) resulting in the issuance of an aggregate of no less than 5,000,000 common shares in the Company; or completing a laboratory – scale pilot plant for the processing of lithium or lithium concentrates	5,536,496

As further consideration for the acquisition, during the nine month period ended October 31, 2018, the company paid $459,025 (US $350,000) in cash. The 4,700,000 common shares had a fair value of $2,585,000 at a value of $0.55 per common share.

The Company incurred $50,000 in costs associated with the closing of the Transaction and is required to issue 100,000 common shares of the Company with an estimated fair value of $55,000 in finder's fees on closing of the acquisition. As at October 31, 2018, the Company recorded an obligation to issue shares of $55,000 for the finder's shares to be issued upon successful completion of the milestone.

The Company determined that at the time of acquisition SAL did not qualify as a business, therefore the Transaction was considered an acquisition of the net assets of SAL and accounted for using the acquisition method, whereby the purchase consideration was allocated to the estimated fair values of the identifiable assets and liabilities acquired at the date of the Transaction.

The purchase price was allocated to the net assets acquired in the acquisition as follows:

		Total
Purchase price:		
Performance shares	$	2,585,000
Finder's fee		105,000
Transaction costs		1,162,302
	$	3,852,302
Net assets acquired:		
Intellectual property	$	3,852,302
	$	3,852,302

The Intellectual Property was recorded at $3,852,302 and is estimated to have a useful life of 10 years and will be amortized on a straight-line basis. The acquired asset is considered to still be in development stage and is not amortized.

Results of Operations for the three months ended October 31, 2018 and 2017

The net loss for the quarter ended October 31, 2018 was $1,2,767, as compared to the net loss of $1,665,808 for October 31, 2017. The primary reasons for this decreased net loss was due to an impairment write-down of $233,505 during the quarter ended October 31, 2017 with no impairment write-down during the quarter ended October 31, 2018. In addition, there were decreased expenses related to advertising and promotion, and share-based payments. Total expenses for the quarter ended October 31, 2018 were $1,238,767, as compared to the total expenses of $1,432,303 for October 31, 2017. Total expenses for the quarter ended October 31, 2018 consisted of advertising and promotion fees of $185,871 (2017 - $325,077) and general and administrative fees of $1,052,896 (2017 - $1,107,226) comprised of the following amounts:

	For the three months ended October 31,			
		2018		2017
Consulting fees	$	103,975	$	64,233
Management fees, salaries and benefits		100,887		70,000
Professional fees		275,942		96,284
Office and miscellaneous		6,527		4,054
Share-based payments		520,672		850,972
Investor relations		10,250		4,635
Filing fees		8,134		12,114
Travel		26,509		4,934
General and Administrative fees	$	1,052,896	$	1,107,226

- Professional fees consist of legal, accounting and audit fees. The increase in the quarter relates to increase legal fees related to licensing agreements entered subsequent to the quarter.
- Travel expenses increased due to the management traveling for discussions regarding technology development.

Results of Operations for the nine months ended October 31, 2018 and 2017

The net loss for the nine months ended October 31, 2018 was $3,873,493, as compared to the net loss of $2,473,999 for October 31, 2017. The primary reasons for this increased net loss was due to an increase in advertising and promotion costs and increased costs related to management fees, salaries and benefits. Total expenses for the nine months ended October 31, 2018 were $3,869,228, as compared to the total expenses of $2,245,494 for October 31, 2017. Total expenses for the nine months ended October 31, 2018 consisted of advertising and promotion fees of $894,332 (2017 - $332,577), accretion expense of $134,795 (2017 - $Nil) and general and administrative fees of $2,840,101 (2017 - $1,912,917) comprised of the following amounts:

	For the nine months ended October 31,	
	2018	**2017**
Consulting fees	$ 950,755	$ 218,803
Management fees, salaries and benefits	519,302	128,857
Professional fees	321,707	162,121
Office and miscellaneous	152,669	19,889
Share-based payments	784,210	1,343,198
Investor relations	15,250	-
Filing fees	37,111	26,183
Travel	59,097	13,866
General and Administrative fees	$ 2,840,101	$ 1,912,917

- The Company maintained management fees payments of $15,000 per month for the nine months ended October 31, 2018. Salaries and benefits include a severance payment of $105,414 to two members of management.
- Professional fees consist of legal, accounting and audit fees. The increase relates to increased legal fees related to the asset acquisition and license agreements entered into subsequent to the quarter end.
- Office and miscellaneous increased in the period. The primary reason for this increase was due to increased office and administration expenses associated with daily operations of the business for the nine months ended October 31, 2018.
- Travel expenses increased due to management traveling for discussions regarding technology development.

Summary of Quarterly Results

The following financial data was derived from the Company's financial statements for each of the eight most recently completed financial quarters:

	January 31, 2018	April 30, 2018	July 31, 2018	October 31, 2018
Net Gain (Loss) before other income/expenses	($328,631)	($1,024,982)	($1,609,744)	($1,238,767)
Other Items: Loss of disposition of exploration and evaluation properties	$(166,869)	$0	$0	$0
Net Gain (Loss) after other income/expenses	($495,500)	($1,024,982)	($1,609,744)	($1,238,767)
Net Loss per share - basic and diluted	($0.02)	($0.03)	(0.04)	(0.03)
Weighted average number of shares outstanding	20,766,575	32,396,457	44,090,166	44,905,383

	January 31, 2017	April 30, 2017	July 31, 2017	October 31, 2017
Net Gain (Loss) before other income/expenses	($36,866)	($45,107)	($768,584)	($1,432,273)
Other Non recurring Items: Loss on disposition of E and E properties/Gain on debt settlement	($1,500)	$5,000	$0	$(233,505)
Net Gain (Loss) after other income/expenses	($38,366)	($40,107)	($768,584)	($1,665,778)
Net Loss per share - basic and diluted	($0.00)	($0.00)	($0.04)	($0.07)
Weighted average number of shares outstanding	13,883,783	16,879,645	18,515,694	24,109,427

The Company earned no revenue due to the nature of current operations.

The factors that have caused variations in results over the quarters are:

- The Company incurred a comprehensive net loss of $1,238,767 for the quarter ended October 31, 2018, as compared to a comprehensive net loss of $1,665,808 for quarter ended October 31, 2017. The primary reason for this increased net loss was due to increased costs including: advertising and promotion costs, consulting, salaries and benefits, and management fees for the quarter versus the same period the year prior.

- The Company incurred a net loss of $1,609,744 for the three-month period ended July 31, 2018 compared to a net loss of $768,584 for the three-month period ended July 31, 2017. The primary reasons for the increase was the cost of consulting fees and severance costs for two members of management.
- The Company incurred a net loss of $1,024,982 for the quarter ended April 30, 2018, as compared to a net loss of $40,107 for the quarter ended April 30, 2017. The net loss was due to share based payments, increased consulting fees and additional costs for advertising and promotion.
- The Company incurred a net loss of $495,000 for the three-month period ended January 31, 2018 compared to a net loss of $38,366 for the three-month period ended January 31, 2017. The net loss was due to the write-down of exploration and evaluation properties of $171,869, share based payments and consulting fees.

Transactions between Related Parties

The Company entered into the following related party transactions during the nine-months ended October 31, 2018:

a) Incurred management fees of $135,000 (2017 - $Nil) to Amteck Consulting a company controlled by a director for professional services.
b) Employment contacts of two management members were terminated and the Company paid out $105,414 in severance fees.
c) Fees in the amount of $40,000 (2017 – $Nil) were charged or accrued by Greywood Partners, a company controlled by a former director of the Company for retirement compensation.
d) Finder’s fees in the amount of $50,000 cash and 100,000 common shares were charged or accrued to Amteck Consulting, a company controlled by a director of the Company in relation to the closing of the SAL transaction. The shares were valued at $55,000 based on a fair value of $0.55 per common share. As at October 31, 2018 the shares to had not been issued.
e) Incurred $45,000 in directors’ fees to directors of the Company

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Key management personnel include directors and officers of the Company. The remuneration of directors and other members of key management are as follows:

For the nine months ended October 31,		**2018**		**2017**
Share-based payments	$	784,210	$	1,343,198
Retirement compensation		40,000		-
Directors fees		45,000		15,000
Management fees, salaries and benefits		415,889		113,857
Severance		105,414		-
	$	1,390,513	$	1,472,055

Trade payables and accrued liabilities of the Company include the following amounts due to related parties:

		As at October 31, 2018		As at January 31, 2018
Officers of the Company	$	34,000	$	56,482
Total amount due from (to) related parties	$	34,000	$	56,482

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Liquidity and Capital Resources

At October 31, 2018, the Company had cash of $872,551 (January 31, 2018 - $231,346) and net working capital of $941,847 (January 31, 2018 - $42,573). The Company has not pledged any of its assets as security for loans, or otherwise is not subject to any debt covenants. Management has evaluated the Company's alternatives to enable it to pay its liabilities as they become due and payable in the next twelve-month period. The Company believes it will raise additional equity to provide liquidity for it to continue as a going concern throughout fiscal 2019.

During the nine months period ended October 31, 2018, the Company:

a) Closed the first tranche of a non-brokered private placement by issuing 3,193,554 units at a price of $0.35 per unit for gross proceeds of $1,117,744. Each unit consisted of one common share and one common share purchase warrant, with each warrant exercisable to purchase one additional common at an exercise price of $0.70 per share for a period of two years and is subject to certain acceleration provisions. A finder's fee of $59,899 was paid to two finders in connection with the closing of the private placement.

b) Issued 605,000 common shares on the exercise of 605,000 options for proceeds of $199,650.

c) Issued 2,319,300 common shares on the exercise of 2,319,300 warrants for proceeds of $1,119,036. 2,219,300 common shares exercised were eligible for a warrant incentive program whereby the Company granted an additional warrant of $0.75 per share for a period of two years from the date of issuance upon the exercise of certain outstanding warrants.

d) Issued 4,700,000 common shares to acquire SAL's intellectual property related to the lithium extraction from oil field brines to NAL.

e) Closed a brokered private placement by issuing 6,200,00 units at a price of $0.35 per unit for gross proceeds of $2,700,000. Each unit consisted of one common share and one half of one transferable share purchase warrant, with each warrant exercisable to purchase one additional common share at an exercise price of $0.70 per share for a period of two years. As consideration for the services provided, Mackie received 100,000 common shares at a price of $0.35 per unit, 620,000 compensation options and 300,000 special unit warrants. Each compensation options are exercisable to purchase one common share at an exercise price of $0.35 per share for a period of two years.

f) Closed second tranche of its previously announced non-brokered private placement by issuing 799,999 units at a price of $0.35 per unit for gross proceeds of $279,999.65. Each unit consists of one common share and one half of one non-transferable share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of $0.70 per common share for a period of two years.

g) The Company granted 1,719,300 additional incentive warrants exercisable for a period of two years at an exercise price of $0.75 warrant. The issuance of incentive warrants is accounted for as a modification to share purchase warrants reserve and the Company determined the fair value of these incentive warrants to be $554,645 using the Black-Scholes Pricing Model.

h) The Company granted 2,800,000 stock options to directors and management. The options are exercisable at a price of $0.19 per share for a period of five years. The fair value of the stock options was determined to be $520,672 calculated using the Black-Scholes Option Pricing Model.

Net proceeds from the share issuances are intended to be used for working capital purposes.

The Company's cash are highly liquid and held at a major Canadian financial institution.

Increase (Decrease) in Cash for the Nine Months Ended				
		October 31, 2018		**October 31, 2017**
Operating Activities	$	(3,147,352)	$	(1,191,687)
Investing Activity		(509,025)		(1,087,831)
Financing Activities		4,309,411		2,229,823
Total Change in Cash		653,034		(49,695)
Effect of foreign exchange rate changes on cash		(11,829)		-
Cash, Beginning of the Period		231,346		238,451
Cash, End of the Period	$	872,551	$	188,756

Operating Activities

Cash used in operating activities primarily consist of general and administrative expenditures. The $1,955,665 increase in the use of cash for operating activities for the nine months ended October 31, 2018 is mainly attributable to the increase in operations related to the acquisition of the intellectual property, increases in advertising and promotion and employee related costs such as salaries and benefits, retirement compensation and severance.

Investing Activity

$509,025 cash used in investing activity for the nine months ended October 31, 2018 was attributable to the intellectual property acquisition.

Financing Activities

Cash from financings activities for the nine months ended October 31, 2018 was attributable to the completion of several private placements for a total net proceeds of $4,886,430. Partial proceeds, $200,000 were used to pay off a loan acquired to complete the purchase of the intellectual property.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements and does not contemplate having them in the foreseeable future.

Financial Instruments and Other Instruments

The carrying values of cash and cash equivalents, amounts receivable and trade payables approximate their fair values because of the short-term maturity of these financial instruments. The Company has no exposure to asset backed commercial paper.

Credit risk

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and amounts receivable. The Company manages its credit risk relating to cash and cash equivalents by dealing only with high-related financial institutions as determined by rating agencies.

Liquidity risk

The Company manages liquidity risk by maintaining an adequate level of cash and cash equivalents to meet its ongoing obligations. The Company has been successful in raising equity financing in the past; however, there is no assurance that it will be able to do so in the future. As at July 31, 2018 the Company had a working capital position of $1,661,999 (January 31, 2018 – working capital surplus of $82,573).

Other risks

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant currency risk, interest rate risk and commodity price risk arising from financial instruments.

Disclosure of Outstanding Security Data

As of October 31, 2018, the Company had 44,905,383 (January 31, 2018 – 26,987,530) common shares issued and outstanding and the total fully diluted shares outstanding was 63,368,037 shares.

As of the date of this MD&A, the Company has: common shares issued and outstanding; 50,441,879 stock, and 4,985,000 stock options and 15,477,654 share purchase warrants exercises able for one common share of the Company. The total fully diluted shares outstanding is 70,904,533.

Events After the Reporting Period

The Company entered into a licensng agreement with Ensorica Metals Corporation ("Ensorcia") and its wholly-owned subsidiary, Sorcia Minerals LLC ("Sorcia"), whereby the Company will license its novel lithium extraction technology to Sorcia for use in extracting Lithium Carbonate from lithium bearing brine sources in the country of Chile (the "Territory"). In addition, the Licensing Agreement appoints the Company as the exclusive provider to Sortie and its Affiliates of technology, systems and equipment for the extraction of lithium salts from brine within the Territory as well as all design, installation, operation and maintenance services within the Territory with respect to systems and equipment for the extraction of lithium salts from brine. The economic viability and technical feasibility regarding any of the Chilean projects has not been established at this time. The counterparties of the license agreement are not related parties. As consideration for entering into the Licensing Agreement the Compnay will receive a six percent royalty (6%) on the netback sales price of all products produced and sold using the Licensed Technology and has been granted a ten percent (10%) common membership interest in Sorcia. The Company has also agreed to issue to Ensorcia 1,000,000 common share purchase warrants (the "Warrants") exercisable for two years from January 1, 2019 at an exercise price of $0.163 per Warrant share.

The Company entered into its second licensing agreement (the "Licensing Agreement") with Ensorica Metals Corporation ("Ensorcia") and its wholly-owned subsidiary, Ensorcia Argentina LLC ("EAL"), whereby the Company will license its lithium extraction technology to EAL for use in the extraction of lithium chloride from lithium bearing brine sources in the country of Argentina (the "Territory"). The resulting lithium chloride will be converted to lithium carbonate and or lithium hydroxide. It may also be exported as a feed stock. In addition, the Licensing Agreement appoints the Company as the exclusive provider to EAL and its Affiliates of technology, systems and equipment for the extraction of lithium salts from brine within the Territory as well as all design, installation, operation and maintenance services within the Territory with respect to systems and equipment for the extraction of lithium salts from brine. The economic viability and technical feasibility regarding any of the Argentinian projects has not been established at this time. As consideration for entering into the Licensing Agreement the Company will receive a six percent royalty (6%) on the netback sales price of all products produced and sold using the Licensed technology and has also been granted a ten percent (10%) common membership interest in EAL.

The Company issued 5,536,496 common shares pursuant to an asset purchase agreement.

Proposed Transactions

Other than normal course review of monthly submittals, there are no other new acquisitions are proposed transactions contemplated as at the date of this report.

Outlook

For the coming year, the Company's priorities are to raise the capital necessary to meet its short term operating requirements, and to continue to develop it's newly acquired intellectual property, and to generate revenue through licensing agreements for its intellectual property.

There are significant risks that might affect the Company's further development. These include but are not limited to: negative cash flow from operations; the Company's ability to raise financing in the future for ongoing operations; market fluctuations in metal prices; government regulations; and other conditions that may be out of the Company's control.

Accounting Policies

A detailed summary of all of the Company's significant accounting policies is included in Note 3 to the audited financial statements for the financial year ended January 31, 2018 and have been consistently followed in the preparation of these consolidated financial statements.

Accounting Standards and Amendments Issued but Not Yet Effective

A number of new standards and amendments to standards and interpretations are not yet effective for the year ended January 31, 2019 and are not expected to have a material effect on the Company's future results and financial position.

The following standard will ne adopted by the Company effective January 1, 2019:

- IFRS 16 'Leases': IFRS 16 will be effective for accounting periods beginning on or after January 1, 2019. Early adoption will be permitted, provided the Company has adopted IFRS 15. This standard sets out a new modal for lease accounting