

## MOUNTAIN LAKE MINERALS INC. MANAGEMENT'S DISCUSSION AND ANALYSIS

This management's discussion and analysis of the financial condition and results of operations ("MD&A") of Mountain Lake Minerals Inc. ("Mountain Lake Minerals" or the "Company") is dated March 30, 2018 and provides an analysis of the Company's financial results and progress for the years ended November 30, 2016 and 2017. This MD&A should be read in conjunction with the Company's financial statements for the years ended November 30, 2017 and 2016 which were prepared in accordance with accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee ("IFRIC"). All amounts are expressed in Canadian dollars.

Certain statements and information related to Mountain Lake Minerals' business contained in this Management's Discussion and Analysis are of a forward-looking nature. They are based on opinions, assumptions or estimates made by Mountain Lake Minerals' management or on opinions, assumptions or estimates made available to or provided to and accepted by Mountain Lake Minerals' management. Such statements and information are reflecting management's current views and expectations of future events or results and are subject to a variety of risks and uncertainties that are beyond management control. Readers are cautioned that these risks and uncertainties could cause actual events or results to significantly differ from those expressed, expected or implied and should therefore not rely on any forward-looking statements.

### **Overview**

Mountain Lake Minerals Inc. is a junior mining exploration company with its head office located at 1853 Sunken Lake Road, RR2, Wolfville, Nova Scotia, Canada, B4P 2R2. The Company was incorporated on May 16, 2012 under the laws of British Columbia, and commenced operations on July 9, 2012. The Company's activities are primarily directed towards exploration and development of mineral properties located in Canada. Mountain Lake hold a 100% interest in the Caledonia Brook gold project in central Newfoundland subject to a three (3) year option agreement with New Dawn Resources Inc. The Company also holds a 100% interest (under ongoing discussions with the Newfoundland government) in the Glover Island, a 100% interest in the Little River properties in Newfoundland, and a 37% interest in the Hong Kong Property in Ontario under a joint venture agreement with Wallbridge Mining Company Ltd. As at November 30, 2017, the Company has cash of \$36,704 to settle current liabilities of \$969,237 (of which \$321,500 are to related parties).

### **Resource Property Interests**

#### ***Caledonia Brook Gold Project***

In October 31, 2017 the Company announced it had entered into a definitive option agreement to acquire the Caledonia Brook Gold Project located in Central Newfoundland approximately 25km south of Grand Falls-Windsor. The property consists of two (2) mining licences covering 53 map-staked claims for a total contained area of 1,325 hectares. The project lies along a belt of highly mineralized, multiple lithologies extending from south of Marathon Gold's Valentine Lake property at Victoria Lake, northeastward to Grand Falls – Windsor, a distance of more than 160 kilometres.

Mountain Lake has completed its initial exploration program consisting of recce soil sampling across the entire strike length through the center of the property. Initial interpretation of the preliminary results pending QA/QC is currently underway and the Company pleased with the first found of geochemical data.

#### ***Glover Island Property***

On February 26, 2018 the Minister of Natural Resources revoked the Company's Mining Lease 190-A that included a 100% interest in the Glover Island gold project. This gold exploration property consists of one mineral license and one mining lease (190-A) covering a total of 2,550 hectares situated on Glover Island in the province of Newfoundland and Labrador. The property is subject to a net smelter returns royalty ("NSR") to New Island Resources of 1% of commercial production, which reduces to 0.5% after the payment of the first \$1.0 million.

Mountain Lake believes that the Ministerial decision to revoke Mining Lease 190-A was done in bad faith and has issued a letter to the Minister of Natural Resources requesting further dialogue and a meeting with senior officials from the Newfoundland Government. Until that time Mountain Lake believes ownership of Mining Lease 190-A is subject to further consideration pending additional information being made to the Minister of Natural Resources.

On November 25, 2016, the Company submitted a request to reduce the number of claims on the mining lease from 77 to approximately 35. Approval was subject to the completion of an inspection by both government officials and the Company of the proposed new lease area to ensure compliance with environmental regulations. On December 7, 2016,

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the Department of Natural Resources of Newfoundland Labrador performed the inspection and issued the report with no non-compliance issues noted.

As of this reporting date, the Company owes the Department of Natural Resources \$267,500 on annual rental fees on the mining lease. While there has been no specific due date for the payment of the balance, an anticipated partial surrender of the lease would reduce the outstanding balance proportionately.

There are 17 gold prospects lying along the 11 kilometre, northeast trending, mineralized "GI-Trend" stretching northeastward across the island. Previous resource definition drilling programs were undertaken in 2011 and 2012 at the Lunch Pond South Extension ("LPSE") prospect identified that mineralization is uniformly distributed and can occur in wide intervals with up to 0.7 g/t Au over 130.9 metres (89m true thickness) and 1.34 g/t Au over 99.3 m (80m true thickness). Mineralization is confined to discrete and interconnecting zones within a wide zone of highly silicified and brecciated mixed mafic to felsic volcanics, intercalated fine-grained epiclastic volcanogenic sediments and quartz-feldspar porphyry (crystal tuff). In addition, wide halos of overprinting potassic and carbonate alteration are superimposed on the silicified breccia. Gold is mostly confined to fine-grained pyrite (1-2%) that is both disseminated, and fracture controlled.

P&E Mining Consultants Inc. ("P&E") prepared a NI 43-101 resource estimation for the LPSE deposit in 2017 with the overall objective of delineating near surface resources from the first of Glover Island Property's 17 gold prospects that could be amenable to open pit mining and support a centrally located milling operation on the island. The establishment of the NI 43-101 resource at LPSE was a first step in establishing a solid base resource to build upon at the Glover Island property.

The results of the NI 43-101 technical report considers the gold mineralization at LPSE that is potential amenable to open pit and underground extraction as follows:

<b>Mineral Resource Estimate <sup>(1-4)</sup></b>						
<b>Classification</b>	<b>Indicated</b>			<b>Inferred</b>		
<b>Cut-Off Au g/t</b>	<b>Tonnes</b>	<b>Au g/t</b>	<b>Au oz.</b>	<b>Tonnes</b>	<b>Au g/t</b>	<b>Au oz.</b>
Open Pit 0.5 g/t	993,000	1.72	54,700	1,703,000	1.59	87,300
Underground 2.0 g/t	36,000	2.99	3,500	373,000	2.78	33,300
<b>Total 0.50 &amp; 2.0 g/t</b>	<b>1,029,000</b>	<b>1.76</b>	<b>58,200</b>	<b>2,076,000</b>	<b>1.81</b>	<b>120,600</b>

(1) Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues. It is noted that no specific issues have been identified as yet.

(2) The Inferred Mineral Resource in this estimate has a lower level of confidence that that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.

(3) The Mineral Resources in this report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.

(4) The 0.5 g/t and 2.0 g/t Au respective open pit and underground Mineral Resource cut-off grades for LPSE were derived from the approximate May 30/17 two year trailing average Au price of US\$1,210/oz. and US\$/C\$ exchange rate of 0.76, 95% process recovery, \$20/t process cost, \$3/t open pit mining cost, \$75 underground mining cost and \$5/t G&A cost.

The Mineral Resource estimate was prepared by Eugene Puritch, P.Eng., P.Geo. of P&E Mining Consultants Inc., who is an Independent Qualified Person as defined in NI 43-101 and who has reviewed and verified the technical information presented above.

Beneath the optimized pit shell and extending to the west, there is drill defined mineralization extending along strike for approximately 800m, to a depth of approximately 200m and widths varying from 5 to 10m. The geometry of this extension suggests an Exploration Target of 2.5 to 3.5 million tonnes at grades ranging between 1.5 to 3.0 g/t Au.

During the year ended November 30, 2017, the Company incurred \$115,670 in expenditures on the Glover Island property (2016- \$116,012).

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As at November 30, 2017, the Company owes \$385,000 in annual lease payments to the province of Newfoundland if now reduction of the lease size occurs. As a result of the Ministry of Natural Resources informing the Company that the Mining Lease 190-A had been revoked the Company elected to record a write-down of exploration and evaluation of assets by \$2,492,519, subject to further consultation with the Newfoundland government.

### ***Little River Property***

The Company has a 100% interest in the Little River Gold Property which was initially comprised of 134 mining claims comprising 3,350 hectares over a strike length of approximately 33 kilometres in the Baie d'Espoir area of southern Newfoundland.

The property is subject to a 2.0% net smelter return royalty and the Company has the exclusive right and option to acquire one half of the net smelter return royalty for \$1.5 million.

Initial prospecting, soil sampling, drilling prospecting and trenching programs were completed from 2008 to 2010 and revealed numerous samples with high concentrations of arsenopyrite (usually present with gold), but with sporadic levels of associated gold content. The regionally focused prospecting led to the delineation of a stibnite (antimony - Sb) vein with surface samples running up to 50% Sb and 24 g/t gold. The vein (termed the No. 8 Vein) was first discovered in the 1970's but was never drilled. The only primary antimony mine in North America, the Beaver Brook Mine, is located 80 kilometers to the north of the Little River property.

Subsequent drilling on the property included the following intercepts: drill hole LR-10-16, which contained a 0.92 metre interval of 30.6% Sb at a vertical depth of 18 metres. 20 kilometres to the south, hole LR-10-13 encountered a 3.6 metre zone (from 42.9 to 46.5 metres downhole) containing 1.13% Sb and 0.4 g/t Au including a 0.5 metre interval of 6.3% Sb; a separate interval (from 48.5 to 49 metres) contained 2.58 g/t Au and 1.81% Sb; and 200 metres south of LR-10-13, LR-10-11 encountered a 0.5 metre interval of 4.01% Sb and 0.98 g/t Au. The best holes drilled on the South Zone are located 50 metres apart at the northernmost extent of the trend and contain intersections of 4.4 metres of 0.43 g/t Au and 0.21% Sb from 11.0 metres depth in hole LR-11-22, and 4.25 metres of 0.33 g/t Au including a 2.8 metre zone of 0.33% Sb at a starting depth of 25.9 metres in hole LR-11-27. Preliminary resampling of previously unsampled drill core from 2010 and 2011 drill core stored in Buchans, NL produced assays of up to 5.84% Sb over short (<1m) intervals.

The 2011 drill campaign at the northern LePouvoir Zone (which includes the No. 8 Vein) also recognized the presence of larger scale alteration characterized by fuchsite, sericite, carbonate and minor iron formation (jasper and magnetite) in association with disseminated Sb mineralization located structurally deeper than the massive No. 6, 7 & 8 veins observed in drill core and at surface.

During the year ended November 30, 2017, the Company incurred \$1,107 in exploration expenditures on the Little River property (2016 - \$3,402). Exploration of \$5,232 was carried out on the Little River property in December of 2017 to support both rock and glacial till sample geochemistry on central claims where highly anomalous gold assays were returned from historical samples. Paul Smith, P. Geo., President & CEO with the Company, is the Qualified Person, as defined under NI 43-101.

The Company had previously dropped a number of claims on the property as it shifted focus from antimony mineralization to gold. During the year ended November 30, 2017, management has estimated the fair value of its current 20 claims to be \$89,000 and recorded a write-down of exploration and evaluation assets of \$762,189.

### ***Hong Kong Property***

The Company holds a 37% interest in a joint exploration agreement with Wallbridge Mining Company Limited on certain mineral claims in the Province of Ontario.

### **Results of Operations**

(In Canadian Dollars)	Year ended November 30, 2017	Year ended November 30, 2016	Year ended November 30, 2015
<b>OPERATIONS</b>			
Revenue	NIL	NIL	NIL
Net and comprehensive loss	3,622,417	99,722	123,297

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Basic and diluted loss per share	0.12	0.00	0.00
<b>BALANCE SHEET</b>			
Working Capital (deficiency)	(903,371)	(628,710)	(415,911)
Total Assets	172,972	3,247,914	3,137,766
Total exploration and evaluation assets	101,500	3,226,101	3,106,687

The years ended November 30, 2017 and 2016

For the year ended November 30, 2017, the Company capitalized \$117,607 in exploration expenditures (2016: \$119,414) of which \$116,500 was capitalized to the Glover Island property (2016: \$116,012) and \$1,107 was capitalized to the Little River property (2016: \$3,402). The Company also capitalized \$12,500 on Grand Falls – Windsor.

The Company reported a net loss for the year ended November 30, 2017 of \$3,622,417 (2016: \$99,722). Expenses in the year ended November 30, 2017 were \$367,709 compared to \$99,722 for the same period in the prior year due in increase operational activities and raising funds. \$3,254,708 was recorded as write-down on properties.

**Summary of Quarterly Results**

Quarter ended	Q4 2017 \$	Q3 2017 \$	Q2 2017 \$	Q1 2017 \$	Q4 2016 \$	Q3 2016 \$	Q2 2016 \$	Q1 2016 \$
Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	206,046	59,624	82,882	19,157	28,975	20,438	22,687	27,622
Net and comprehensive loss	3,460,754	59,624	82,882	19,157	28,975	20,438	22,687	27,622
Loss per share – Basic and diluted	0.12	0.00	0.00	0.00	0.001	0.001	0.001	0.001

Expenses were higher in Q4 2017 than Q4 2016 primarily due to more expenses incurred as a result of low cash flow in the Company which increased the amount of activities during the year.

**Liquidity and Capital Resources**

As at November 30, 2017, the Company has a working capital deficiency of \$903,371 compared to a working capital deficiency of \$628,710 at November 30, 2016 as follows:

	<b>November 30, 2017</b>	<b>November 30, 2016</b>
	<b>\$</b>	<b>\$</b>
Cash	36,704	653
Input taxes receivable	26,162	10,273
Prepaid expenses	3,000	3,000
Accounts payable and accrued liabilities	(903,237)	(576,636)
Notes payable	(66,000)	(66,000)
	<u>(903,371)</u>	<u>(628,710)</u>

For the year ended November 30, 2017, the Company used cash of \$171,449 from operating activities (2016: \$4,878), due to operating expenses offset by working capital changes, and used cash of \$10,000 for investing activities related to exploration expenditures (2016: \$904).

The Company completed a non-brokerage private placement by issuing 7,000,000 units at \$0.025 per unit. Each unit consisted of one common share and one purchase warrant. Each purchase warrant entitles the holder to purchase one common share of the Company at \$0.05 per share for a period of 24 months. In addition, in connection with the Grand

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Falls -Windsor option agreement, the Company issued 50,000 common shares with a fair value of \$2,500. The Company, in connection with a future private placement and exercise of warrants, received \$42,500 subscriptions

The Company's principal assets are at an exploration stage and as a result the Company has no current source of operating cash flows. The Company relies on its ability obtain equity financing to fund administration expenses and future exploration programs. The ability of the Company to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities when due is dependent on the successful completion of a financing or by monetizing assets. There is no certainty that these and other strategies will be successful. To maintain the planned leases on its mineral properties, the Company has payment obligations of approximately \$29,000 over the next twelve months.

The Company has made application to the Government of Newfoundland for reduction and partial surrender of its mining lease (190-A) on Glover Island. The revised lease area includes approximately 95% of the Lunch Pond South Extension gold deposit and all of the proposed open pit area. This reduction in lease area, if formally accepted, will significantly reduce the annual lease payment, from \$154,000 to approximately \$2,000. Approval of the application is subject to certain conditions, including an environmental inspection of the new area and a registered survey of the new area, both of which are expected to be completed by March 31, 2016. The Company plans to fund the survey and other planned exploration programs through completion of a financing.

In April 2013, the Company received gross proceeds of \$88,000 pursuant to an interim bridge loan financing (the "Convertible Notes") from various directors, officers, and other private investors. The convertible notes are non-interest bearing and matured on November 30, 2014 (as amended from the original maturity date of September 30, 2013). To date, \$22,000 of notes payable have been repaid in cash. After maturity, the notes can no longer be converted into common shares at the election of the Company and, accordingly, were reclassified from equity to current liabilities on November 30, 2016.

### **Share Capital**

The Company's authorized capital consists of an unlimited number of common shares without nominal or par value. As of the date of this MD&A, the Company has 37,723,011 issued and outstanding common shares.

### *Stock Options*

The Company has a Stock Option Plan (the "Plan") which provides that the number of options granted may not exceed 10% of the issued and outstanding shares. Options granted under the Plan generally have a five-year term and are granted at a price no lower than the market price of the common shares at the time of the grant.

As of the date of this MD&A, there are 1,950,000 share purchase options outstanding at an exercise price ranging from \$0.025 to \$0.05 per share, expiring from September 1, 2018 to October 1, 2018.

### *Warrants*

As of November 30, 2017, there are 7,000,000 share purchase warrants outstanding.

### **Related Party Transactions and Balances**

Payments to key management personnel including the President and Chief Executive Officer, Chief Financial Officer, Directors and companies directly controlled by key management personnel are for salaries, consulting fees, management fees, or professional fees and are directly related to their position in the Company or to services provided to the Company.

For the year ended November 30, 2017, key management personnel compensation was \$72,000 (2016 - \$72,000) and share-based payments of \$874 (2016 - \$3,110).

Included in accounts payable and accrued liabilities are amounts owing to related parties totalling \$321,500 (2016 - \$249,500). Included in notes payable are amounts owing to related parties totalling \$1,500 (2016 - \$1,500).

These transactions are measured at exchange amounts, which are the amounts of consideration determined and agreed to by the related parties.

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**Fourth Quarter**

The table below sets out the unaudited quarterly results for the fourth quarter ending November 30, 2017, November 30, 2016 and November 30, 2015.

	<b>2017 Q4</b>	<b>2016 Q4</b>	<b>2015 Q4</b>
Total Expenses	206,046	28,975	33,806
Net (Income) Loss	3,460,754	28,975	33,806
Loss per share	0.007	0.001	0.001

**Subsequent Event**

- a) Subsequent to year ended November 30, 2017, the Company issued 1,900,000 common shares to settle \$190,000 accounts payables, of which \$72,000 was due to directors and officers of the Company.
- b) Subsequent to year ended November 30, 2017, the Company issued 300,000 common shares for subscriptions received.
- c) Subsequent to year ended November 30, 2017, the Company issued 200,000 common shares for an exercise of warrants.

**Critical Accounting Estimates**

The Issuer's accounting policies are presented in Note 3 of the November 31, 2016 audited financial statements. The preparation of financial statements in accordance with IFRS requires management to select accounting policies and make estimates. Such estimates may have a significant impact on the financial statements. Actual amounts could differ materially from the estimates used and, accordingly, affect the results of the operations. These include:

- the assumptions used for the determinations of the timing of future income tax events
- the determination of the existence of the decommissioning liabilities
- the valuation of stock-based compensation expense

**Off-Balance Sheet Arrangements**

The Company has no off-balance sheet arrangements.

**Financial Instruments**

The Company's financial instruments consist of cash, accounts payable and notes payable. Financial assets and financial liabilities are measured on an ongoing basis at fair value or amortized cost. Cash is designated as held-for-trading and measured at fair value. Marketable securities are carried at fair value as it is comprised of common shares in a publicly-traded company which have a quoted market price in an active market. Accounts payable and accrued liabilities and notes payable are designated as other financial liabilities and measured at amortized cost. The recorded values of all financial instruments approximate their current fair values because of their nature and respective maturity dates or durations.

Fair values of financial instruments

During the year ended November 30, 2016, there were no transfers between level 1, level 2, and level 3 classified assets and liabilities. The fair values of the Company's financial instruments are considered to approximate the carrying amounts. The following table provides the disclosures of the fair value and the level in the hierarchy:

November 30, 2017			November 30, 2016		
Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
\$	\$	\$	\$	\$	\$

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Cash	36,704	-	-	653	-	-
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The Company's risk exposures and the impact on the Company's financial instruments are summarized below.

### *Credit risk*

The Company has no significant credit risk arising from operations. The Company does not engage in any sales activities, so is not exposed to major credit risks attributable to customers. The Company's credit risk is primarily attributable to cash. The Company holds its cash with Canadian chartered banks and the risk of default is considered to be remote.

### *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's accounts payable and accrued liabilities are due within one year. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital markets is hindered, whether as a result of stock market conditions generally or as a result of conditions specific to the Company. The Company's approach to managing liquidity risk is to ensure it will have sufficient liquidity to meet liabilities when due. As at November 30, 2017, the Company has cash of \$36,704 to settle current liabilities of \$969,237 (of which \$194,000 is to related parties). To maintain the planned leases and licenses on its mineral properties, the Company has payment obligations of approximately \$29,000 over the next twelve months.

### *Interest rate risk*

Interest rate risk is the risk that future cash flows of the Company's assets and liabilities can change due to a change in interest rates. The company is not exposed to interest rate risk as no financial instruments are interest-bearing.

### **Accounting standards adopted in the current period**

The Company did not adopt any new or amended accounting standards during the year ended November 30, 2016 which had a significant impact on the Financial Statements.

### **Recently Issued Accounting Pronouncements**

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

New accounting standards effective for annual periods on or after January 1, 2018.

**IFRS 9 Financial Instruments** - In November 2009, as part of the IASB project to replace IAS 39 Financial Instruments: Recognition and Measurement, the IASB issued the first phase of IFRS 9 Financial Instruments that introduces new requirements for the classification and measurement of financial assets. The standard was revised in October 2010 to include requirements regarding classification and measurement of financial liabilities. In November 2013, new general hedging requirements were added to the standard. In July 2014, the final version of IFRS 9 was issued and adds a new expected loss impairment model and amends the classification and measurement model for financial assets by adding a new fair value through other comprehensive income category for certain debt instruments and additional guidance on how to apply the business model and contractual cash flow characteristics.

**IFRS 2 Share-based Payment** - In November 2016, the IASB has revised IFRS 2 to incorporate amendments issued by the IASB in June 2016. The amendment provide guidance on the accounting for i) the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; ii) share-based payment transactions with a net settlement feature for withholding tax obligations and iii) a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The amendments are effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted.

Based on the Company's preliminary assessment, the adoption of these standards and interpretation is not expected to have a material impact on the financial statements.

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### **Risks and Uncertainties**

Under Canadian reporting requirements, management of the Company is required to identify and comment on significant risks and uncertainties associated with its business activities. For a summary of potentially significant inherent risks and uncertainties that management considers to be particularly unique to its operations and business plans in the upcoming years, please refer to the Company's 2016 Management Discussion and Analysis, which is available on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Additional Information**

The financial statements and additional information regarding the Company are available on SEDAR at [www.sedar.com](http://www.sedar.com).