Zenith Exploration Inc.
(formerly 1040442 B.C. Ltd.)

Management's Discussion and Analysis

For the Year Ended July 31, 2018

General

This management discussion and analysis should be read in conjunction with the financial statements and related notes thereto of Zenith Exploration Inc. (the "Company") for the years ended July 31, 2018 and 2017, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standards Board ("IASB"). All amounts in the financial statements and this discussion and analysis are presented in Canadian dollars, unless otherwise indicated. This Management Discussion and Analysis ("MD&A") is dated November 20, 2018, and discloses specified information up to that date.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the financial statements and MD&A, is complete and reliable.

All dollar amounts included therein and in the following MD&A are expressed in Canadian dollars except where noted. This discussion contains forward-looking statements that involve risks and uncertainties. Such information, although considered to be reasonable by the Company's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. Additional information on the Company is available for viewing on SEDAR at www.sedar.com.

Description of Business

On October 4, 2017, the Company changed its name to Zenith Exploration Inc. The Company is a resource exploration company that is acquiring and exploring mineral properties. The Company is a reporting issuer in the provinces of British Columbia and Alberta.

Highlights – Year ended July 31, 2018

On November 14, 2017, the Company entered into a definitive agreement to purchase the eight (8) mineral claims covering 1,384.12 hectares comprising the Scotch Creek Property in the Kamloops Mining Division of British Columbia (the "Scotch Creek Property") for consideration of 15,000,000 common shares of the Company, at a deemed value of $0.02 per share, for total consideration of $300,000. Brent Hahn and Barry Hartley, both directors and officers of the Company, are vendors of the property. In connection with the agreement, the Company and the vendors have also executed a royalty deed agreement pursuant to the terms and conditions of which the vendors shall receive a net smelter return royalty of 2% from the Company.

On December 4, 2017, the Company completed a private placement comprised of 4,000,000 common shares of the Company at a price of $0.005 per share for total proceeds of $20,000. The shares were purchased by Brent Hahn and Barry Hartley, two directors of the Company. The Company recognized $1,328 in share issuance costs.

On December 5, 2017, the Company completed a private placement comprised of 300,000 common shares of the Company at a price of $0.05 per share for total proceeds of $15,000.

On December 11, 2017, the Company entered into an option agreement with Doctors Investment Group Ltd. (the "Optionor") whereby the Optionor granted the Company the sole and exclusive option to acquire a 100% right, title and interest in and to the Lac Matchi Property, which is located in the Province of Quebec.

On January 31, 2018, the Company completed a private placement comprised of 4,815,000 common shares of the Company at a price of $0.10 per share for total proceeds of $481,500. The Company recognized $1,347 in share issuance costs.

On October 1, 2018, the Company formed two wholly owned subsidiaries, High Point Exploration Inc. and Top Explorations Inc.

On October 9, 2018, the Company completed a private placement comprised of 1,121,500 common shares of the company at a price of $0.10 per share for total proceeds of 112,150.

On October 11, 2018, the Company commenced trading on the Canadian Securities Exchange (the "CSE") under the trading symbol "ZX".

On November 15, 2018, the Company entered into a purchase agreement to acquire a 100% interest in a certain mineral property (the "Golden Girl Property") located in B.C.

On November 15, 2018, the Company entered into a purchase agreement to acquire a 100% interest in a certain mineral property (the "Mantle Property") located in B.C.

Exploration and evaluation assets

Scotch Creek Property

On November 14, 2017, the Company entered into a definitive agreement to purchase eight (8) mineral claims covering 1,384.12 hectares comprising the Scotch Creek Property in the Kamloops Mining Division of British Columbia. In connection with the Scotch Creek Property agreement, the Company and vendors have also executed a royalty deed agreement pursuant to the terms and consideration of which the vendors shall receive a net smelter return royalty of 2% from the Company. Brent Hahn and Barry Hartley, both directors and officers of the Company, are vendors of the property.

In consideration for a 100% undivided interest in the property, the Company issued 15,000,000 common shares at a deemed value of $0.02 for total consideration of $300,000.

Lac Matchi Property

On December 12, 2017, the Company entered into an option agreement with the Optionor. The Optionor granted the Company the sole and exclusive option to acquire a 100% right, title and interest in and to the Lac Matchi Property, which is located in the Province of Quebec. In order to exercise the option and to maintain the option in good standing, the Company must:

(a) Pay to the Optionor:
- (i) $20,000 in cash upon the execution of this agreement (paid);
- (ii) an additional $10,000 in cash on or before the date that is twelve (12) months after the Effective Date ("Effective Date" means the date of the Final Exchange Bulletin giving notice of the approval by the Exchange of the listing of the Company's shares on the facilities of the Exchange and the acceptance by the Exchange of this option agreement and the transactions contemplated by this agreement);
- (iii) an additional $25,000 in cash on or before the date that is twelve (12) months after the Effective Date;

(iv) an additional $250,000 in cash on or before the date that is twenty-four (24) months after the Effective Date;

(b) issue and deliver to the Optionor:

(i) 200,000 shares within five (5) business days of the Effective Date;
(ii) 100,000 shares on or before the date that is six (6) months after the Effective Date;
(iii) 500,000 shares on or before the date that is twelve (12) months after the Effective Date;
(iv) 750,000 shares on or before the date that is twenty-four (24) months after the Effective Date; and

(c) incur expenditure on the property as follows:

(i) $250,000 on or before the date that is fourteen (14) months after the Effective Date;
(ii) $750,000 ($1,000,000 total) on or before the date that is twenty-eight (28) months after
(iii) Effective Date.

As the Effective Date was subsequent to June 30, 2018, per the option agreement, the Company must pay an additional $25,000 to the Optionor.

The Company shall maintain in good standing the claims or other interests comprising the property by the doing and filing of assessment work or the making of payments in lieu.

Golden Girl Property

On November 15, 2018, the Company entered into a purchase agreement to acquire a 100% interest in a certain mineral property (the "Golden Girl Property") located in B.C. for the following consideration:

- $1,000 cash upon signing of the agreement;
- $11,000 as a retainer for maintaining exploration for the benefit of the Golden Girl Property in the years 2018 and 2019, upon the signing of the agreement; and
- 200,000 common shares of the Company to be issued on November 15, 2018.

Mantle Property

On November 15, 2018, the Company entered into a purchase agreement to acquire a 100% interest in a certain mineral property (the "Mantle Property") located in B.C. for the following consideration:

- $1,000 cash upon the signing of the agreement;
- $11,000 as a retainer for maintaining exploration for the benefit of the Mantle Property in the years 2018 and 2019, upon the signing of the agreement; and
- 200,000 common shares of the Company to be issued on November 15, 2018.

Selected Annual Information

The following table sets out selected annual financial results from the consolidated audited financial statements:

Years ended July 31,	2018	2017	2016
	$	$	$
Expenses	60,089	5,970	10,682
Other income	724	-	-
Net loss for the year	(59,365)	(5,970)	(10,682)
Loss per share	(0.00)	(0.02)	(0.04)
Total assets	785,632	130	-

Results of Operations

	For the three months ended		For the years ended	
	July 31, 2018	**July 31, 2017**	**July 31, 2018**	**July 31, 2017**
Expenses				
Professional fees	$ 9,602	$ 2,750	$ 23,880	$ 2,892
Consulting fees	40	-	20,040	-
Office and miscellaneous	29	1,772	597	1772
Regulatory fees	1,579	253	12,061	253
Shareholder information	-	261	-	261
Transfer agent	1,555	124	3,511	792
	$ (12,805)	**$ (5,160)**	**$ (60,089)**	**$ (5,970)**
Other Income				
Gain on forgiveness of debt	-	-	724	-
Loss and comprehensive loss for the year	**$ (12,805)**	**$ (5,160)**	**$ (59,365)**	**$ (5,970)**
Loss per share – basic and diluted	**$ (0.00)**	**$ (0.01)**	**$ (0.00)**	**$ (0.02)**
Weighted average number of common shares outstanding	**24,511,601**	**396,601**	**16,309,012**	**396,601**

Net Loss

The net loss for the quarter ended July 31, 2018, was $12,805 compared to $5,160 for the quarter ended July 31, 2017, representing an increase of $7,645.

The net loss for the year ended July 31, 2018, was $59,365 compared to a net loss for the year ended July 31, 2017, of $5,970 for an increase of $53,395.

Expenses

For the quarter ended July 31, 2018, total expenses were $12,805 compared to $5,160 recorded during the same period in 2017, representing an increase of $7,645.

For the year ended July 31, 2018, total expenses were $60,089 compared to $5,970 for the year ended July 31, 2017, for an increase of $54,119. The higher expenses for the current year are due to an increase in activities.

Selected Quarterly Information

The following selected financial data has been prepared in accordance with IFRS and should be read in conjunction with the Company's condensed interim financial statements. All dollar amounts are in Canadian dollars.

Quarter Ended	Loss for the period	Loss per Share (Basic & Diluted)	Total Assets	Interest Income
July 31, 2018	$12,805	$0.00	$785,632	$Nil
April 30, 2018	$25,674	$0.00	$789,571	$Nil
January 31, 2018	$15,402	$0.00	$814,288	$Nil
October 31, 2017	$5,484	$0.01	$130	$Nil
July 31, 2017	$5,160	$0.01	$Nil	$Nil
April 30, 2017	$510	$0.00	$Nil	$Nil
January 31, 2017	$150	$0.00	$Nil	$Nil
October 31, 2016	$150	$0.00	$Nil	$Nil

Financial Condition, Liquidity and Capital Resources

The Company had working capital of $411,989 (July 31, 2017 - $8,720 deficiency) at July 31, 2018. The Company does not currently have an active business generating positive cash flows. The Company is reliant on equity financing or shareholder loans to provide the necessary cash to acquire or participate in an active business. There can be no assurance that equity financings will be available to the Company in the future that will be obtained on terms satisfactory to the Company.

On December 4, 2017, the Company completed a private placement comprised of 4,000,000 common shares of the Company at a price of $0.005 per share for total proceeds of $20,000. The shares were purchased by Brent Hahn and Barry Hartley, two directors of the Company. The Company recognized $1,328 in share issuance costs.

On December 5, 2017, the Company completed a private placement comprised of 300,000 common shares of the Company at a price of $0.05 per share for total proceeds of $15,000.

On January 31, 2018, the Company completed a private placement comprised of 4,815,000 common shares of the Company at a price of $0.10 per share for total proceeds of $481,500.

On October 9, 2018, the Company completed a private placement comprised of 1,121,500 common shares of the company at a price of $0.10 per share for total proceeds of 112,150.

The Company has not entered into any off-balance sheet arrangements.

Related Party Transactions

During the year ended July 31, 2017, the Company paid/accrued accounting and other office fees of $1,255 (2016 - $Nil) to a company controlled by a former director of the Company.

During the year ended July 31, 2017, the Company received loans in the aggregate amount of $2,493 from the Company's current director and a company controlled by a former director of the Company. The loans are unsecured, non-interest bearing and payable on demand.

On November 14, 2017, the Company entered into a definitive agreement to purchase eight (8) mineral claims covering 1,384.12 hectares comprising the Scotch Creek Property. In connection with Scotch Creek Property Agreement, the Company and vendors have also executed a royalty deed agreement pursuant to the terms and consideration of which the vendors shall receive a net smelter return royalty of 2% from the Company. Two directors of the Company are vendors of the property. The Company issued 15,000,000 common shares for total consideration of $300,000 to the two directors.

On December 4, 2017, the Company completed a private placement comprised of 4,000,000 common shares of the Company at a price of $0.005 per share for total proceeds of $20,000. The shares were purchased by two directors of the Company.

During the year ended July 31, 2018, the Company received a loan in the amount of $12,198 from a director of the Company. The loan is unsecured, non-interest-bearing and payable on demand.

Included in accounts payable and accrued liabilities as at July 31, 2018 is $Nil (2017 - $571) payable to a company controlled by a former director of the Company.

Accounting Policies

The accounting policies and methods employed by the Company determine how it reports its financial condition and results of operations and may require management to make judgements or rely on assumptions about matters that are inherently uncertain. The Company's results of operations are reported using policies and methods in accordance with IFRS. In preparing financial statements in accordance with IFRS, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses for the year. Management reviews its estimates and assumptions on an ongoing basis using the most current information available.

Critical Accounting Estimates

The preparation of the Company's financial statements in conformity with IFRS requires management to make estimates and assumptions concerning the future. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

i) Going concern
Management has determined that the Company will be able to continue as a going concern for the next year.

ii) Economic recoverability and probability of future benefits of exploration and evaluation costs

Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

Future and Recently Adopted Accounting Standards

The following IFRS standards have been recently issued by the IASB or the IFRIC. Pronouncements that are not applicable or do not have a significant impact to the Company have been excluded herein. The Company is assessing the impact of these new standards but does not expect them to have a significant effect on the financial statements.

IFRS 9, Financial Instruments

The IASB has issued a new standard, IFRS 9, "Financial Instruments" ("IFRS 9"), which will replace IAS 39, "Financial Instruments: Recognition and Measurement" ("IAS 39"). IFRS 9 will replace the multiple classification and measurement models in IAS 39 with a single model that has only two classification categories: amortized cost and fair value. The new standard also requires a single impairment method to be used, provides additional guidance on the classification and measurement of financial liabilities, and provides a new general hedge accounting standard.

IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The adoption of IFRS 9 is not expected to have a material impact on the financial statements as the classification and measurement of the Company's financial instruments is not expected to change given the nature of the Company's operations and the types of financial instruments that it currently holds.

IFRS 16, Leases
In January 2016, the IASB issued IFRS 16 which specifies how an issuer will recognize, measure, present and disclose leases. The standard provides a single lessess accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is twelve months or less, or the underlying asset has an insignificant value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. IFRS 16 will be effective for annual periods beginning on or after January 1, 2019, with early adoption permitted.

Financial Instruments and Risk Management

Fair Values

The fair values of receivables, trade payables, and loans payable approximate their carrying values because of the short-term nature of these instruments.

(a) *Financial Risk Management*

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

(b) *Financial Instrument Risk Exposure*

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

Credit Risk
Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company is not exposed to credit risk.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

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. Such fluctuations may be significant.

(a) Interest rate risk

The Company has no cash balances and no interest-bearing debt.

(b) Foreign currency risk

The Company is not exposed to foreign currency risk on fluctuations in exchange rates.

(c) Price risk

The Company is exposed to price risk with respect to 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. The Company closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Contingencies

The Company is not aware of any contingencies or pending legal proceedings as of as at the date of this report.

Additional share information

As at July 31, 2018, the Company had 24,511,601 common shares outstanding and as the date of this report, the Company had 25,633,101 common shares outstanding.

As at July 31, 2018 and as at the date of this report, the Company had no stock options or warrants outstanding.

Disclaimer

The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company. It should be read in conjunction with all other disclosure documents provided by the Company, which can be accessed at www.sedar.com. No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented herein.

Cautionary Statement on Forward Looking Information

Certain statements contained in this document constitute "forward-looking statements". Such 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 expressly stated or implied by such forward-looking statements.