MPV EXPLORATION INC.

(formerly M.P.V. Explorations Inc.)
(an exploration company)

MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended March 31, 2019

This management discussion and analysis (”MD&A”) of MPV Exploration Inc. (formerly M.P.V. Explorations Inc.) (“MPV Exploration”, “MPV” or the “Company”) complies with Rule 51-102A of the Canadian Securities Administrators regarding continuous disclosure.

The MD&A is a narrative explanation, through the eyes of the management of MPV, of how the Company performed during the year ended March 31, 2019, and of the Company’s financial condition and future prospects. This discussion and analysis supplements, but does not form part of, the audited financial statements for the year ended March 31st, 2019. It reports on the Company’s performance for the year ended March 31st, 2019, and should therefore be read in conjunction with the audited financial statements as at March 31st, 2019 and the notes thereto. This review was prepared by management with information available as at the date of the MD&A.

All figures are in Canadian dollars unless otherwise stated. Additional information relating to the Company can be found on SEDAR at www.sedar.com. The shares of MPV are listed on the Canadian Securities Exchange under the symbol MPV.

All figures are in Canadian dollars unless otherwise stated.

DATE

The MD&A was prepared on the basis of information available as at June 3, 2019.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements that reflect the Company's current expectations regarding future events. To the extent that any statements in this document contain information that is not historical, the statements are essentially forward-looking and are often identified by words such as "anticipate", "expect", "estimate", "intend", "project", "plan" and "believe". Forward-looking statements involve risks, uncertainties, and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. There are many factors that could cause such differences, particularly: volatility and sensitivity to market metal prices; impact of change in foreign currency exchange rates and interest rates; imprecision in reserve estimates; environmental risks including increased regulatory burdens; unexpected geological conditions; adverse mining conditions; changes in government regulations and policies, including laws and policies; failure to obtain the necessary permits and approvals from government authorities; and other development and operating risks.

While the Company believes that the assumptions underlying in the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this document. The Company disclaims any intention or obligation to update or revise any forward-looking statement, whether or not it should be revised because of new information, future events or otherwise, unless required to do so by the applicable securities laws.

NATURE OF ACTIVITIES

MPV is incorporated under the Canada Business Corporations Act. The Company is involved in the acquisition, exploration and development of mining properties. The Company is active in Canada.

In October 2018, following shareholder’s approval, the Company changed its name to MPV Exploration Inc.

HIGHLIGHTS

MPV increased its activity level substantially in 2018:

- May 2018: Listed on the Canadian Stock Exchange (CSE)

- June 2018: Carried out a 1,200-metre drilling program on the UMEX Western Block, representing Phase 1 of its exploration program as defined in the prospectus of its initial public offering.

- August 2018: Announced the results of its June 2018 drilling program. Hole UMX-18-07 was of particularly interest, returning grades of 2.20% Cu, 4.05% Zn, 1.74 g/t Au and 62.41 g/t Ag over 9.1 metres.

- September 2018: On the basis of the drill results, MPV staked an additional 53 cells, bringing the total size of the UMEX property to nearly 7,000 hectares (125 cells in total).

- Winter 2018-2019: MPV conducted an airborne MAG geophysical survey over the entire property and a BoreHole EM program in the existing drillholes. The Company subsequently carried out 40 km of line cutting and a Max-Min geophysical survey.

The work carried out both confirmed UMEX's geological potential and fulfilled all the conditions for 1) exploration permit renewals in 2019 and 2) the requirements of the property purchase agreement (Western Block) up to March 31, 2020.

Financial markets continue to show strong aversion to risk in the mineral exploration sector. While MPV remains optimistic about the medium and long-term outlook for the base metals market, management and the Board of Directors continue to assess market conditions on an ongoing basis and move forward very defensively in order to preserve the Company's cash assets, which stood at approximately $1.4 million at the beginning of 2019. In line with this, management and the Board of Directors have decided to limit expenses to a minimum and continue to explore potential strategic opportunities for MPV, in the best interests of the Company and its shareholders.

OVERALL PERFORMANCE

Results of Operations

Umex Block West Project

Property Description

The Umex Block West property consists of 14 cells covering a total area of 777.63 hectares. The property is located within the Eastern Abitibi region at 50 km west of the town of Chapais and 88 km west of the town of Chibougamau.

On March 31, 2017, the Company signed an option agreement to acquire 100% of the property.

Work done during the year

During the year ended March 31, 2019, the Company performed the following work:

1) A 1,200-metre drilling program;
2) A BoreHole EM-type geophysical survey in two 2018 drill holes;
3) A BoreHole EM-type geophysical survey in two historical drill holes;
4) An airborne magnetic survey over the entire property, on lines spaced at 75 m.

The results of the drilling program were disclosed in a press release dated August 16, 2018. Given the significance of the drill results obtained, the Company has established a work plan to update and identify the next drilling targets.

Umex Block East Property

The Umex Block East property is now composed of 111 contiguous cells to the east, and on the same conductive strip as that traversing the Umex Block West property. The property covers an area of 6,163.28 hectares. It is wholly-owned by the Company.

Work done during the year

During the year ended March 31, 2019, the Company conducted:

1) An airborne magnetic survey over the entire property on lines spaced at 75 m;
2) A Max-Min ground geophysical survey covering +/-40 km.

Person In Charge of Technical Disclosure

Hughes Guérin Tremblay (OGQ #1584), geologist, acts as an independent consulting geologist for the Company and a Qualified Person under *NI 43-101 on standards of disclosure for mineral projects*, has written and approved the technical content of this MD&A for the properties.

SELECTED ANNUAL INFORMATION

The following selected financial data is derived from our audited financial statements for the year ended March 31, 2019.

In $ except for share data	Year ended March 31 2019	Year ended March 31 2018	Year ended March 31 2017
Interest incomes	11,561	1,250	1,223
Net loss and total comprehensive loss	(157,534)	(144,981)	(1,859)
Total liabilities	38,972	185,285	16,073
Basic and diluted net loss per share	(0,01)	(0,04)	0,00
Total assets	1,842,828	559,047	59,113

This selected annual information should be read in conjunction with the audited financial statements filed on www.sedar.com for the year ended March 31, 2019.

RESULTS OF OPERATIONS

MPV anticipates that, for the foreseeable future, quarterly results of operations will primarily be impacted by several factors, including the timing of exploration and the efforts and timing of expenditures related to the development of the Company. Due to fluctuations in these factors, the Company believes that the period-to-period comparisons of operating results are not a good indication of its future performance.

The following discussion and analysis are based on MPV's results of operations for the year ended March 31, 2019. The following selected financial information data is derived from the Company's audited financial statements for the year indicated.

FINANCIAL HIGHLIGHTS

	March 31 2019		2018	
Shareholders' information	$	**46,361**	$	15,948
Professional and consultant fees	$	**63,287**	$	24,754
Travel and representation	$	**8,193**	$	25,626
Other expenses	$	**30,119**	$	10,941
Cost related to the initial public offering	$	**12,450**	$	53,648
Part XII.6 taxes	$	**490**	$	272
Devaluation of the loan and interests receivable from Biomoss Carbon ULC	$	**28,840**	$	-
Share-based payments	$	**51,688**	$	51,168
	$	**241,428**	$	182,357
Interest charge	$	**(218)**	$	(2,603)
Interest income	$	**11,561**	$	1,250
Income before income taxes	$	**(230,085)**	$	(183,710)
Deferred income taxes	$	**72,551**	$	38,729
Net loss and total comprehensive loss	$	**(157,534)**	$	(144,981)
Cash and cash equivalents	$	**1,224,481**	$	344,028

Shareholders' Information

Shareholders' information expenses for year ended March 31, 2019, consisted mainly of expenditures of legal and regulatory nature incurred to comply with the requirements of the securities commission. The $30,413 change from previous year was due to an increase in stock exchange fees, transfer agent fees and shareholder information expenses, offset by a decrease in expenses related to Sedar filings.

Professional and Consultant Fees

Professional and consulting fees for the year ended March 31, 2019, consisted primarily of expenses of a legal and accounting nature, as well as audit expenses. The increase of $42,831 from the previous year was due to an increase in consulting fees and legal and accounting nature expenses.

Other expenses

Other expenses for the year ended March 31, 2019, consisted mainly of office expenses, general office expenditures, insurance and the Company's claim expenses. The increase of $19,178 from the previous year is due to an increase in all categories of expenses under this item.

Cost related to the initial public offering

Costs related to the initial public offering for the year ended March 31, 2019 consist of expenses incurred in connection with the Company's initial public offering. Most of the costs associated with the Company's initial public offering were recognized in the previous year.

Share-based payments

Share-based payments for the year ended March 31, 2019, represented the recognition of the charge for the 750,000 options granted to directors, officers and consultants of the Company. A compensation expense of $51,688 calculated using the Black-Scholes option pricing model was allocated during the year in relation to the stock options granted.

SUMMARY OF QUARTERLY RESULTS

The comments below provide an analysis of the operating results for the three-month period ended March 31, 2019. The selected financial information shown below is taken from the unaudited condensed interim financial statements for each of the three-month periods indicated.

FINANCIAL HIGHLIGHTS

	March 31 (3 months)	
	2019	2018
Shareholders' information	**$ 12,776**	$ 4,460
Professional and consultant fees	**$ 9,387**	$ 13,685
Travel and representation	**$ 3,136**	$ 7,462
Other expenses	**$ 11,989**	$ 6,558
Cost related to the initial public offering	**$ -**	$ 28,273
Part XII.6 taxes	**$ 58**	$ 272
Devaluation of the loan and interests receivable from Biomoss Carbon ULC	**$ 28,840**	$ -
Share-based payments	**$ 17,437**	$ -
	$ 83,622	$ 60,710
Interest charge	**$ -**	$ (2,603)
Interest income	**$ 3,904**	$ 312
Net loss and total comprehensive loss	**$ (79,719)**	$ (63,001)
Cash and cash equivalents	**$ 1,224,481**	$ 344,028

Shareholders' Information

Shareholders' information expenses for the three-month period ended March 31, 2019, consisted mainly of expenditures of legal and regulatory nature incurred to comply with the requirements of the securities commission. The increase of $8,316 compared to the previous year is primarily due to an increase in all transfer agent fees.

Professional and Consultant Fees

Professional and consulting fees for the three-month period ended March 31, 2019, consisted primarily of expenses of a legal and accounting nature, as well as audit expenses. The decrease of $4,298 compared to the previous year is primarily due to a decrease in accounting expenses.

Other expenses

Other expenses for the three-month period ended March 31, 2019, consisted mainly of office expenses, insurance, general office expenditures and the Company's claim expenses. The increase of $5,431 from the previous period was mainly due to a decrease in expenses related to the Company's mineral claims and office expenses.

Share-based payments

Share-based payments for the three-month ended March 31, 2019, represented the recognition of the charge for the 200,000 options granted to a consultant of the Company. A compensation expense of $17,437 calculated using the Black-Scholes option pricing model was allocated during that period in relation to the stock options granted.

The selected financial information below was taken from MPV Exploration's unaudited financial statements for each of the following quarters:

	March 31 2019	Dec 31 2018	Sept. 30 2018	June 30 2018	March 31 2018	Dec 31 2017	Sept. 30 2017	June 30 2017
Interest Incomes	**3,904**	4,046	3,297	314	312	313	313	312
Net income (Net loss)	**(79,718)**	(58,600)	(36,609)	17,393	(63,001)	(55,399)	(27,920)	1,339
Basic and diluted net loss per share	**$ (0.01)**	$ (0.00)	$ (0.00)	$ 0.00	$ (0.02)	$ (0.01)	$ (0.01)	$ 0.00

Liquidity and Capital Resources

Cash and cash equivalents as at March 31, 2019, totaled $1,224,481 of compared to $344,028 as at March 31, 2018. It is management's intention to secure further capital funding in the form of equity to support current and future exploration and development of its assets.

Date	Financing		Commercial Goals
April and May 2018	Common shares	$1,193,100	Working Capital
February 2019	Common shares	$480,000	Working Capital

For the next year, the Company has budgeted $130,000 for administrative expenses. Management is of the opinion that, even if it is unable to raise additional equity financing, the Company will be able to meet its current exploration obligations and keep its properties in good standing for the next 12 months. There is no assurance that such financing will be available when required, or under terms that are favourable to MPV. The Company may also select to advance the exploration and development of exploration and evaluation assets through joint ventures.

CASH FLOWS

	March 31 **2019**	March 31 **2018**
Operating activities	**$ (221,312)**	$ (67,492)
Financing activities	**$ 1,513,066**	$ 557,147
Investing activities	**$ (411,301)**	$ (163,287)
	$ 880,453	$ 326,368
Cash and cash equivalents	**$ 1,224,481**	$ 344,028

During the year ended March 31, 2019, funds used for operating activities were spent primarily on improving operations and development of the Company.

During the year ended March 31, 2019, the main financing activities undertaken by the Company were as follows:

- In April and May 2018, the Company closed an initial public offering of 5,965,500 units at $0.20 per unit, for total gross proceeds of $1,193,100. Each unit is comprising of one common share and one warrant at a price of $0.30 per share, valid for 24 months.
- In February 2019, the Company closed a private placement of 6,000,000 units at $0.08 per unit, for total gross proceeds of $480,000. Each unit is comprising of one common share and one warrant at a price of $0.16 per share, valid for 24 months.
- Receipt of a credit for mining duties for the year ended March 31, 2018.

During the year ended March 31, 2019, investing activities consisted primarily of exploration to develop the Umex Block West and Umex Block East properties.

ROYALTIES ON THE MINING PROPERTY

PROPERTY	ROYALTY		DESCRIPTION
	Name	Percentage	
Umex Block West	Les Ressources Tectonic Inc.	100%	2% NSR of which 1% may be purchased for an amount of $1,500,000

RELATED PARTY TRANSACTIONS

Transactions with Key Executives and with members of the Board of Directors

During the year ended March 31, 2019, the Company incurred $21,786 ($11,918 in 2018) in professional and consultant fees with its secretary and financial chief officer. In relation with these transactions no amount was payable as at March 31, 2019 ($264 in 2018).

Furthermore, an amount of $51,688 ($51,168 in 2018) was accounted as share-based payments for Key Executives and members of the Board of Directors.

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 by the related parties.

SIGNIFICANT ACCOUNTING POLICIES

Overall considerations

The significant accounting policies that have been applied in the preparation of these financial statements are summarized below.

Basis of measurement

The financial statements have been prepared on the historical cost basis.

Functional and presentation currency

The functional and reporting currency of the Company is the Canadian dollar.

Tax credits receivable

The Company is entitled to a refundable tax credit on qualified exploration expenditures incurred and refundable credit on duties for losses under the Mining Tax Act. These tax credits are recognized as a reduction of the exploration expenses incurred based on estimates made by management. The Company records these tax credits when there is reasonable assurance with regards to collections and assessments and that the Company will comply with the conditions associated to them.

Exploration and evaluation expenditures, and exploration and evaluation assets

Exploration and evaluation expenditures are costs incurred in the course of the initial search of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. Costs incurred before the legal right to undertake exploration and evaluation activities are recognized in profit or loss when they are incurred.

Once the legal right to undertake exploration and evaluation activities has been obtained, all costs of acquiring mineral rights or options to acquire such rights (option agreement), expenses related to the exploration and evaluation of mining properties, less refundable tax credits related to these expenses, are recognized as exploration and evaluation assets. Expenses related to exploration and evaluation include topographical, geological, geochemical and geophysical studies, exploration drilling, trenching, sampling and other costs related to the evaluation of the technical feasibility and commercial viability of extracting a mineral resource. The various costs are capitalized on a property-by-property basis pending determination of the technical feasibility and commercial viability of extracting a mineral resource. These assets are recognized as intangible assets and are carried at cost less any accumulated impairment losses. No depreciation expenses are recognized for these assets during the exploration and evaluation phase.

Whenever a mining property is considered no longer viable, or is abandoned, the capitalized amounts are written down to their recoverable amounts; the difference is then immediately recognized in profit and loss.

When technical feasibility and commercial viability of extracting a mineral resource are demonstrable, exploration and evaluation assets related to the mining property are transferred to property and equipment in Mining assets under construction. Before the reclassification, exploration and evaluation assets are tested for impairment and any impairment loss is recognized in profit or loss before reclassification.

To date, neither the technical feasibility nor the commercial viability of extracting a mineral resource has been demonstrated.

Although the Company has taken steps to verify title to the mining properties in which it holds an interest, in accordance with industry practices for the current stage of exploration and development of such properties, these procedures do not guarantee the validity of the Company's titles. Property titles may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

Impairment of exploration and evaluation assets

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at a cash-generating unit level.

Whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, an asset or cash-generating unit is reviewed for impairment.

Impairment reviews for exploration and evaluation assets are carried out on a project-by-project basis, with each project representing a potential single cash generating unit. An impairment review is undertaken when indicators of impairment arise, but typically when one of the following circumstances apply:

- The right to explore the areas has expired or will expire in the near future with no expectation of renewal;
- No further exploration or evaluation expenditures in the area are planned or budgeted;
- No commercially viable deposits have been discovered, and the decision has been made to discontinue exploration in the area;
- Sufficient work has been performed to indicate that the carrying amount of the expenditure carried as an asset will not be fully recovered.

Additionally, when technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the exploration and evaluation assets of the related mining property are tested for impairment before these items are transferred to property and equipment.

An impairment loss is recognized in profit or loss for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less cost to sell and its value in use.

An impairment loss is reversed when the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

Compound financial instrument

The component of the compound financial instrument (unsecured convertible promissory note) issued by the Company is classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and an equity instrument. The conversion option that will be settled by the exchange of a fixed amount in cash for a fixed number of equity instruments of the Company is classified as an equity instrument.

At the issue date, the liability component is recognized at fair value, which is estimated using the effective interest rate on the market for similar non-convertible instruments. Subsequently, the liability component is measured at amortized cost using the effective interest rate until it is extinguished on conversion or maturity.

The value of the conversion option classified as equity is determined at the issue date, by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This amount is recognized in equity, net of tax effects, and is not revised subsequently. When the conversion option is exercised, the equity component of the unsecured convertible promissory note will be transferred to share capital. No profit or gain is recognized to the conversion or expiration of the conversion option.

Share capital

Share capital represents the amount received on the issue.

The Company uses the residual value method with respect to the measurement of common shares and share purchase warrants issued as placement units. The proceeds from the issue of units is allocated between common shares and share purchase warrants on a residual value basis, wherein the fair value of the common shares is based on the market value on the date of announcement of the placement and the balance, if any, is allocated to the attached warrants.

Flow-through shares

Issuance of flow-through shares represents an issue of ordinary shares and the sale of the right to tax deductions to the investors. When the flow-through shares are issued, the sale of the right to tax deductions is deferred and presented in other liability in the statement of financial position. The proceeds received from flow-through shares are allocated between share and, if any, the other liability using the residual method. Proceeds are first allocated to shares according to the quoted price of existing shares at the time of issuance and the residual proceeds is allocated to the other liability.

The other liability recorded is reversed on renouncement of the right to tax deductions to the investors or when the Company has the intention to renounce of tax deductions to the investors and when eligible expenses are incurred and recognized in profit or loss in reduction of deferred income taxes expense.

Other elements of equity

Deficit includes all current and prior year retained profits or losses and shares issuance expenses net of any underlying income tax benefit from these share issuance expenses.

Contributed surplus includes charges related to brokers and intermediaries' options and share purchase options. When options are exercised, the related compensation cost is transferred to share capital.

Warrants include charges relating to warrants. When these warrants are exercised, the relating charges are transferred to share capital. When these warrants are expired, the relating charges are transferred to contributed surplus.

Loss per share

Basic loss per share is computed by dividing the net loss available to common shareholders by the weighted average number of shares outstanding during the reporting year. Diluted loss per share is computed using the treasury stock method. In accordance with the treasury stock method, the weighted average number of common shares outstanding is increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting years.

Share-based payments

The Company has a stock option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods using the Black-Scholes Options Pricing Model. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The offset to the recorded cost is credited to contributed surplus.

Share-based payments (except brokers and intermediaries' options) are ultimately recognized as an expense in the profit or loss or capitalized as an exploration and evaluation asset, depending on the nature of the payment with a corresponding credit to contributed surplus, in equity. Share-based payments to brokers and intermediaries, in respect of an equity financing are recognized as issuance cost of the equity instruments with a corresponding credit to contributed surplus, in equity.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-Market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior period if the number of share options ultimately exercised is different from that estimated on vesting.

Financial Instruments

Recognition and derecognition

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transactions costs. The subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognized when the contractual rights to the cash flow from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expired.

The classification of financial instruments under IFRS 9 is based on the entity's business model and the characteristics of the contractual cash flows of the financial asset or liability.

Subsequent valuation of financial assets

Financial assets at amortized cost

Financial assets are measured at amortized cost if they meet the following conditions:

- They are held according to an economic model whose objective is to hold financial assets in order to collect the contractual cash flows;
- The contractual terms of the financial assets give rise to cash flows that correspond solely to repayments of principal and interest payments on the principal outstanding.

After initial recognition, they are measured at amortized cost using the effective interest rate method. The update is omitted if its effect is not significant. Cash and cash equivalents, interests receivable and loan and interests receivable from Biomoss Carbon ULC (in 2018) fall into this category of financial instruments.

All income and expenses relating to financial assets recognized in profit or loss are presented in interest charges or Interest incomes.

Impairment of financial assets

The impairment provisions in IFRS 9 use more forward-looking information, the expected credit loss model, which replaces the IAS 39 loss model.

The recognition of credit losses is no longer dependent on the identification of a credit loss event by the Company. Rather, it must take into account an expanded range of information for assessing credit risk and assessing expected credit losses, including past events, current circumstances, reasonable and justifiable forecasts that affect expected recoverability of future cash flows of the financial instrument.

The estimate of expected credit losses is determined at each reporting date to reflect changes in credit risk since the initial recognition of the related financial as set.

Subsequent valuation of financial liabilities

The Company's financial liabilities include trade accounts payable and accrued liabilities and the unsecured convertible promissory note (in 2018).

Subsequently, financial liabilities are measured at amortized cost using the effective interest method.

Interest expense and, as the case may be, changes in the fair value of an instrument recognized in profit or loss are presented in interest charges or interest incomes.

Income taxes

Income tax expense represents current tax and deferred tax. The Company records current tax based on the taxable profits for the year, which is calculated using tax rates that have been enacted or substantively enacted by the reporting date. However, since the Company is in exploration phase and has no taxable income, tax expense recognized in profit or loss is currently comprised only of deferred tax.

Deferred income taxes are accounted for using the liability method that requires that income taxes reflect the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred income tax assets and liabilities are determined for each temporary difference based on currently enacted or substantially enacted tax rates that are expected to be in effect when the underlying items of income or expense are expected to be realized. The effect of a change in tax rates or tax legislation is recognized in the year of substantive enactment. Deferred tax assets, such as non-capital loss carry-forwards or deductible temporary difference, are recognized to the extent it is probable that taxable profit will be available against which the asset can be utilized. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Company has a right and intention of set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as deferred income tax expense in profit or loss, except where they are related to items that are recognized in other comprehensive loss or directly in equity, in which case the related deferred tax is also recognized in other comprehensive loss or equity, respectively.

Provisions and contingent liabilities

Provision are recognized where a legal or constructive obligation has been incurred as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation.

Segment Disclosure

The Company currently operates in a single segment: the acquisition, exploration and development of mining properties. All of the Company's activities are conducted in Canada.

Significant accounting judgments, estimates and assumptions

When preparing its financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

Significant management judgments

Information about critical judgments that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed below.

Recognition of deferred income tax assets and measurement on income tax expense

Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgment. To date, management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carry-forward period.

Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss of deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed below. Actual results may be substantially different.

Impairment of exploration and evaluation assets

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and assumptions in any cases (see Note Impairment of exploration and evaluation assets above).

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount the individual asset or the cash-generating units must be estimated.

In assessing impairment, the Company must make some estimates and assumptions regarding future circumstances, in particular, whether an economically viable extraction operation can be established, the probability that the expenses will be recover from either future exploitation or sale when the activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Company's capacity to obtain financial resources necessary to complete the evaluation and development and to renew permits.

Estimates and assumptions may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the period when the new information becomes available.

No impairment was recognized for the reporting periods.

Tax credit receivable

The calculation of the Company's refundable tax credits on qualified exploration expenditure incurred and refundable tax credits involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until notice of assessments and payments have been issued form the relevant taxation authority and a payment have been received. Differences arising between the actual results following final resolution of some of these items and the assumptions made could necessitate adjustments to the refundable tax credit and refundable tax credit, exploration and evaluation assets, and income tax expense in future periods.

OTHER REQUIREMENTS IN THE MANAGEMENT DISCUSSION AND ANALYSIS

EXPLORATION AND EVALUATION ASSETS

	March 31 2019	March 31 2018
Balance, beginning of year	**$ 162,952**	$ 15,000
Add:		
Acquisition of exploration and evaluation assets	**53,397**	29,774
Drilling	**185,963**	-
Airborne survey	**34,400**	-
Geophysics	**110,706**	49,210
Line-cutting	**26,835**	56,547
Other exploration and evaluation expenses	**10,000**	12,756
	421,301	148,287
Balance, before deduction	**584,253**	163,287
Tax credit related to resources and mining tax credit	**91,751**	335
Balance, end of year	**$ 492,502**	$ 162,952

MATERIAL COMPONENTS

	March 31 2019	March 31 2018	March 31 2017
Statements of net loss and comprehensive loss			
Professional and consultant fees	**$ 63,287**	$ 24,754	$ 2,499
Share-based compensation	**$ 51,688**	$ 51,168	$ -
Other expenses	**$ 30,119**	$ 10,941	$ 583
Devaluation of the loan and interests receivable	**$ 28,840**	$ -	$ -
Cost related to the initial public offering	**$ 12,450**	$ 53,648	$ -

	March 31 2019	March 31 2018	March 31 2017
Statements of financial position			
Exploration and evaluation assets	**$ 492,502**	$ 162,952	$ -
Loan receivable from Biomoss Carbon ULC	**$ -**	$ 27,590	$ 26,341
Unsecured convertible promissory note	**$ -**	$ 23,150	$ -

DISCLOSURE OF OUTSTANDING SHARE DATA (as at June 3, 2019)

Common shares outstanding:	18,105,514	
Options outstanding:	1,250,000	
Average exercise price of:	$ 0.14	

Expiry date	Number of shares	Exercise price
		$
December 2022	500,000	0.20
November 2023	550,000	0.10
February 2024	200,000	0.10
	1,250,000	

Warrants and brokers and intermediaries' options outstanding:	14,555,483	
Average exercise price of:	$ 0.23	

Expiry date	Number of shares	Exercise price
		$
April 2020	5,965,500	0.30
April 2020	596,550	0.20
December 2020	1,953,431	0.25
December 2020	40,002	0.15
February 2021	6,000,000	0.16
	14,555,483	

Risks and Uncertainties. The Company is subject to a variety of risks, some of which are described below. If any of the following risks occur, the Company's business, results of operations or financial condition could be adversely affected in a material manner.

Exploration and mining risks. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the conduct of exploration programs. The Company from time to time increases its internal exploration and operating expertise with due advice from consultants and others as required. The economics of developing gold and other mineral properties is affected by many factors, including the cost of operations, variation of the grade of ore mined and fluctuations in the price of any minerals produced. There are no underground or surface plants or equipment on the Company's mineral properties, nor any known bodies of commercial ore. Programs conducted on the Company's mineral property would be an exploratory search for ore.

Titles to property. While the Company has diligently investigated title to the various properties in which it has an interest, and to the best of its knowledge, title to those properties are in good standing, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements or transfer, or native or government land claims, and title may be affected by undetected defects.

Permits and licenses. The Company's operations may require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects.

Metal prices. Even if the Company's exploration programs are successful, factors beyond the control of the Company may affect marketability of any minerals discovered. Metal prices have historically fluctuated widely and are affected by numerous factors beyond the Company's control, including international, economic and political trends, expectations for inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and worldwide production levels. The effect of these factors cannot accurately be predicted.

Competition. The mining industry is intensely competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral interests as well as for recruitment and retention of qualified employees.

Environmental regulations. The Company's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions of spills, release or emission of various substances produced in association with certain mining industry operations, such as seepage from tailing disposal areas, which could result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require submissions to and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations.

Conflicts of interest. Certain directors or proposed directors of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Stage of development. The Company's properties are in the exploration stage, and to date none of them have a proven ore body. The Company does not have a history of earnings or providing a return on investment, and there is no assurance that it will produce revenue, operate profitably or provide a return on investment in the future.

Industry conditions. Mining and milling operations are subject to government regulations. Operations may be affected in varying degrees by government regulations such as restrictions on production, price controls, tax increases, expropriation of property, pollution controls or changes in conditions under which minerals may be mined, milled or marketed. The marketability of minerals may be affected by numerous factors beyond the control of the Company, such as government regulations. The effect of these factors cannot be accurately determined.

Uninsured hazards. Hazards such as unusual geological conditions are involved in exploring for and developing mineral deposits. The Company may become subject to liability for pollution or other hazards which cannot be insured against or against which the Company may elect not to insure because of the high cost of premiums or for other reasons. The payment of any such liability could result in the loss of Company assets or the Company's insolvency.

Future financing. Completion of future programs may require additional financing, which may dilute the interests of existing shareholders.

Key employees. Management of the Company rests on a few key officers and members of the board of directors, the loss of any of whom could have a detrimental effect on its operations.

Canada Revenue Agency. No assurance can be made that Canada Revenue Agency will agree with the Company's characterization of expenditures as Canadian exploration expenses or Canadian development expenses or the eligibility of such expenses as Canadian exploration expenses under the *Income Tax Act* (Canada).