



**Management Discussion and Analysis  
For the three months ended  
Amended and Restated  
December 31, 2018**

The Company has amended and restated the management's discussion and analysis and intern financial statements for the three months ended December 31, 2018 to include updated expenses and additional detail on stock-based compensation as a result of issuing options to Management and Directors. This management discussion and analysis of financial position and results of operations ("MD&A"), prepared as of May 17, 2019. It provides an analysis of the operations and financial results of Slave Lake Zinc Corp. ("the Company") for the three months ended December 31, 2018 and should be read in conjunction with the audited financial statements for the year ended September 30, 2018.

Slave Lake Zinc Corp. ("SLZ" or the "Company") is an exploration and development company formed for the purposes of exploring and, if warranted and feasible, developing a zinc, lead, copper, silver resource on our property at O'Connor Lake in the mining friendly North West Territories of Canada.

On November 7, 2018, the Company completed its Initial Public Offering ("IPO") and the Company's common shares are listed on the Canadian Securities Exchange ("CSE") under the trading symbol "SLZ".

During the year ended September 30, 2018, the Company concluded a special warrant financing of 6,194,500 special warrants at \$0.10 for gross cash proceeds of \$566,800 net of \$52,650 related finders' fees.

For the balance of 2018, to the end of the first quarter on December 31, 2018, the company conducted normal business operations for a listed company in preparation to commence exploration, and advance the O'Connor Lake NT, property of the company in 2019.

The Company has not entered into any new property agreements either related to, or in conjunction with our 100% ownership of the O'Connor Lake property. The company has not had and is not at this time in discussion with or on any other property agreements or acquisitions. However, in the future if an exceptional opportunity should arise, the company may explore such an opportunity.

From inception as a private company in September 14, 2016, the company has transitioned to work toward being qualified for a CSE (Canadian Securities Exchange) listed mining, exploration and development company as originally intended by the founders of Slave Lake Zinc.

The Company formally acquired the Property, a mineral claim ("MWK"), tag # F97540 in the South Slave region of the North West Territories, NTS Map 75E05, pursuant to a mineral property acquisition agreement (the "Acquisition Agreement") dated for reference February 7, 2017 among the Company as purchaser, Jaskarn Singh Rai, Ritchie John Wigham, Glen Colin Macdonald and Max Braden as vendors (the "Vendors") and 1089621 B.C. Ltd. as royalty holder (the "Royalty Holder"). Each of the Vendors is a founder and director of the Company and was a director of the Company at the time of entering into the Acquisition Agreement. Pursuant to the Acquisition Agreement, the Company acquired a 100% right, title and interest in and to the Property, subject to a 3.5% net smelter returns royalty, by making a cash payment of one dollar (\$1.00) to each of the Vendors. The acquisition of the Property by the Company was formalized by the Acquisition Agreement. The Property is subject to a 3.5% net smelter returns royalty (the "Royalty") to the Royalty Holder. The Company has the right to purchase two-seventh (2/7th) of the Royalty from the Royalty Holder at any time for one million (\$1,000,000) dollars after which the Royalty will be reduced to 2.5% of net smelter returns. After payment of one million (\$1,000,000) the Company has the right to purchase two-fifth (2/5th) of the remaining Royalty for two million (\$2,000,000) dollars at any time after which the Royalty rate will be reduced to 1.5% of net smelter returns. The Property has a ten (10) kilometer area of interest, and any mineral claims or properties interest within this area that any of the Vendors and/or associated parties acquires, through staking or otherwise, will become part of the Acquisition Agreement and be subject to the Royalty.

On June 28, 2018, the Company entered a 21-year lease commencing on August 30, 2016 with the Minister of Department of Indian Affairs and Northern Development. The claim is 188.12 hectares and has an annual rental fee of \$470.30 payable to the Minister of Department of Indian Affairs and Northern Development and there is no other capital commitment required to maintain the lease.

To achieve this goal, several milestones were accomplished: Such as the completion of geophysical and geological field work to enhance the company's knowledge of the property and expend sufficient funds to qualify for approval as a regulatory compliant NI 43-101 Technical Report. The Company not only met but did exceed the requirement for exploration expenditures on the property. The objective of the money applied to additional field work (since accomplished) was to list the shares on a recognized Canadian stock exchange. During 2018 the Company also raised sufficient funds, through a warrant offering to advance the listing objective and commence phase 1 of the proposed project field work. This work will commence as soon as is practicable by Aurora Geosciences of Yellowknife, under direction of their senior geo scientists. The objective of this work is to advance the project for further exploration and drilling for the balance of 2018 and on into 2019.

It is anticipated that at some point during the coming fiscal year that Slave Lake Zinc will require further funding in the capital markets, to advance the project through drilling, and to further future development of the O'Connor Lake property

The financial information in this MD&A is derived from the Company's audited financial statements which have been prepared in Canadian dollars, in accordance with International Financial Reporting Standard ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

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.

#### **CAUTION REGARDING FORWARD-LOOKING INFORMATION**

This MD&A contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian legislation. These statements relate to future events or the future activities or performance of the Company. All statements, other than statements of historical fact are forward-looking statements. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. These forward-looking statements include, but are not limited to, statements concerning:

- the Company's strategies and objectives, both generally and in respect of its existing business and planned business operations;
- the Company's future cash requirements;
- general business and economic conditions;
- the Company's ability to meet its financial obligations as they come due, and to be able to raise the necessary funds to continue operations;
- the timing, pricing, completion, regulatory approval of proposed financings if applicable;

Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Inherent in forward looking statements are risks and uncertainties beyond the Company's ability to predict or control, including, but not limited to, risks related to the Company's ability to raise the necessary capital or to be fully able to implement its business strategies, and other risks identified herein under "Risk Factors".

The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results are likely to differ, and may differ materially, from those expressed or implied by forward looking statements contained in this MD&A. Such statements are based on a number of assumptions, which may prove incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- conditions in the financial markets generally, and with respect to the prospects for small capitalization commercial/technology companies specifically;
- the Company's ability to continue to roll out its business plan which includes new product launches and associated planning in production, sales, distribution and marketing;
- the Company's ability to secure and retain employees and contractors to carry out its business plans;

These forward-looking statements are made as of the date hereof and the Company does not intend and does not assume any obligation, to update these forward-looking statements, except as required by applicable law. For the reasons set forth above, investors should not attribute undue certainty to or place undue reliance on forward-looking statements.

Historical results of operations and trends that may be interpreted from the following discussion and analysis may not necessarily indicate future results from operations. In particular, the Company has moved from a private corporation operating with very limited capital and therefore with very restricted operations, to a publicly traded venture issuer. Accordingly, drawing trends from the Company's limited operating history is difficult.

## **OVERALL PERFORMANCE**

The Company has no operational revenue, and exploration activity is subject to the availability of funds raised through financings. Global financial and commodity markets have been volatile, and the Company is thus impacted by these generic industry factors which are beyond its control. The Company anticipates obtaining additional financing in the future primarily through further equity financing.

During the three months ended December 31, 2018, the company did not raise any new additional funds. Upon listing the company converted previously issued 6,194,500 special warrants. Each special warrant unit consisted of one common share of the Company (a "Share") and one-half of one non-transferable share purchase warrant, whereby each whole warrant (the "Warrant") will be exercisable to purchase one fully-paid and non-assessable common share of the Company at an exercise price of \$0.30 per Share until expiration October 31, 2020 at 4:00 p.m. (Vancouver time).

As the Company was incorporated on September 14, 2016, it only has financial information subsequent to that date. The following is a summary of the Company's financial results for the three months ended December 31, 2018 and 2017.

	For the three months ended December 31, 2018	For the three months ended December 31, 2017
Revenue	\$Nil	\$Nil
Net Income (Loss)	(393,359)	(17,132)
Net and Comprehensive Income (Loss)	(393,359)	(17,132)
Basic and Diluted Loss per common share	(0.01)	(0.03)
Number of shares outstanding	32,894,500	17,729,041
Total Assets	633,469	540,132
Total Non-Current liabilities	\$Nil	\$Nil
Dividends	\$Nil	\$Nil

#### SELECTED QUARTERLY FINANCIAL INFORMATION

The Company has only prepared financial statements for the four most recently completed quarters and does not have information available for the three quarters prior to those. The following is a summary of the Company's financial results for the three most recently completed quarters:

	Q1 Dec 31 2018	Q4 Sep 2018	Q3 Jun 30 2018	Q2 Mar 31 2018	Q1 Dec 31 2017	Q4 Sep 30 2017	Q3 Jun 30 2017	Q2 Mar 31 2017
Total revenues	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	N/A	N/A	N/A
Total net loss	\$(393,359)	\$53,692	\$22,413	\$57,817	\$17,227	N/A	N/A	N/A
Loss per share	\$(0.01)	\$(0.03)	\$(0.00)	\$(0.00)	\$(0.00)	N/A	N/A	N/A
Loss per share, fully diluted	\$(0.01)	\$(0.03)	\$(0.00)	\$(0.00)	\$(0.00)	N/A	N/A	N/A

During the first quarter of fiscal 2018, the Company recorded a loss of \$(393,359) compared to a loss of \$(53,692) in the fourth quarter of fiscal 2018. The increase is mainly due to issuing options to management as stock-based compensation, and cost related to listing on the CSE which include various filing fees paid in relationship for the listing.

During the fourth quarter of fiscal 2018, the Company recorded a loss of \$(53,692) compared to a loss of \$(22,413) in the third quarter of fiscal 2018. The change is mainly due to increase in audit and legal fees, and fees related to listings application.

During the third quarter the company recorded a loss of \$(22,413) compared to a loss of \$(57,817) in the second quarter of the fiscal 2018. The change is mainly due to decrease in management fees, accounting and audit fees, and legal fees.

During the second quarter the company recorded a loss \$(57,817) compared to a loss of \$(17,227) in the first quarter of the fiscal 2017. The change is mainly due to increase in management fees, accounting and audit fees, and legal fees.

## RESULTS OF OPERATIONS

The Company's comprehensive loss for the three months ended December 31 was \$(393,359), or \$(0.01) per Common Share (three months ended December 31, 2017 \$(17,132) or \$(0.00) per common share). The table below outlines the expenses incurred during the period:

	For the Three months ended December 31		
	2018	Net Change	2017
	\$		\$
<b>EXPENSES</b>			
Management fees	40,000	30,000	10,000
Accounting and auditing fees	-	-3,100	3,100
Office	3,682	2,035	1,647
Legal fees	1,784	1,784	0
Bank fees	28	-82	110
Filing fees	13,242	13,242	0
Travel	0	-2,275	2,275
Meals and entertainment	885	885	0
Stock-based compensation	333,738	333,738	0
<b>NET LOSS FOR THE PERIOD</b>	<b>(393,359)</b>	<b>(376,227)</b>	<b>(17,132)</b>

The Company capitalizes all mineral property acquisition and exploration costs until the properties to which the costs are related are placed into production, sold or abandoned.

For the three months ended December 31, mineral property acquisition and exploration costs totaled \$175,313. The table below outlines the costs added to the exploration and evaluation asset during the period:

	December 31,		September 30,	
	2018		2017	
Opening balance	\$	113,377	\$	-
INAC accumulated fees from the acquisition date		-		5,115
Geological costs		53,757		76,257
Mobilization costs		8,179		32,005
	\$	<b>175,313</b>	\$	<b>113,377</b>

## LIQUIDITY

Since incorporation, the Company's capital resources have been limited. The Company has had to rely upon the sale of equity securities for the cash required for property acquisition payments, office and miscellaneous expenses accounting, audit and legal fees, and other expenses.

### For the three months ended December 31, 2018

During the three months ended December 31, 2018, the Company listed on the Canadian Securities Exchange (The CSE) on November 7, 2018. Upon listing the special warrants were converted to one common share and ½ share purchase warrant at \$0.30 expiring on October 31, 2020. Expenses during this period were \$(393,359) and include: management fees of \$40,000, legal fees of \$1,784, filing fees of \$13,242, stock-based compensation of \$333,738. On October 31, 2018, the company issued 4,200,000 options (stock-based compensation) to management and directors at an exercise price of \$0.10 expiring on October 31, 2020. The stock-based compensation expense was incurred as a result of issuing options. A fair market value of the options was given \$.08 using the Black-Scholes model.

### Common Shares

	Number of Shares
<b>Balance, September 30, 2018</b>	<b>26,700,000</b>
Shares exchanged for Special Warrants	6,194,500
<b>Balance, December 31, 2018</b>	<b>32,894,500</b>

### Warrants

	Number of Warrants	Exercise Price	Expiry Date
<b>Balance, September 30, 2018</b>	0	N/A	N/A
Warrants Issued In exchange for Special Warrant Conversion	3,097,250	.30	Oct 31, 2020
<b>Balance, December 31, 2018</b>	<b>3,097,250</b>		

### Options

	Number of Options	Exercise Price	Expiry Date
<b>Balance, September 30, 2018</b>	0		N/A
Options Issued	4,200,000	0.10	Oct 31, 2020
<b>Balance, December 31, 2018</b>	<b>4,200,00</b>		

The fair value of stock options granted during the three months ended December 31, 2018 was calculated using the Black-Scholes model with the following assumptions:

	December 31, 2018	September 30, 2018
Risk-free rate	2.28%	-
Expected dividend yield	0%	-
Expected option life (years)	2.00	-
Expected stock price volatility	177%	-
Fair value at grant date	\$ 0.08	-

The Company expects that its available funds as at December 31, 2018 will be sufficient for the Company to stay operational and to begin meeting its objectives and milestones. The Company will require additional working capital in order to increase its growth rate and may seek to raise additional funds via one or more private placements.

As at December 31, 2018 the company expects to have sufficient funds to carry on its business of exploration as intended at the year end of September 30, 2018.

## CAPITAL RESOURCES

As at December 31, 2018, the Company's share capital was \$1,167,300 (2017: \$600,500) representing 32,894,500 issued and outstanding common shares without par value (2017: 26,700,000).

Under the escrow agreement dated July 31, 2018, 1/10 of the escrowed common shares are to be released from escrow on the date of listing on the Canadian Securities exchange. On November 7, 2018 Slave Lake Zinc listed on the Canadian Securities Exchange (the CSE) and 2,065,000 shares were released from escrow upon listing and as per schedule below. As of December 31, 2018, 18,585,000 shares are still held in escrow and will be released as per the schedule below.

As the Company will be considered an 'emerging issuer' as that term is defined under the Escrow Policy, the escrowed securities will be released according to the following schedule:

Date	Quantity
On the date the Company's securities are listed on a Canadian exchange (the listing date)	2,065,000
6 months after the listing date	3,097,500
12 months after the listing date	3,097,500
18 months after the listing date	3,097,500
24 months after the listing date	3,097,500
30 months after the listing date	3,097,500
36 months after the listing date	3,097,500

In accordance with the recommendations of the Company's independent geologist, the Company has allocated \$232,155 from the proceeds of the Offering for the Phase I initial exploration program. If the results of this Phase I exploration program are successful, the Company plans to raise the estimated \$1,260,000 in funds required to finance Phase II by way of equity financing, including the exercise of warrants, during the current fiscal year. There is no guarantee that the Company will be able to raise the funds needed.



The Company intends to spend the funds available to it as stated in this management discussion. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary.

## **FINANCIAL INSTRUMENTS**

The Company's financial instruments consist of cash, accounts payable and accrued liabilities and due to related parties.

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are as follows:

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: Inputs that are not based on observable market data.

The carrying value of cash, accounts payable and accrued liabilities and due to related parties approximate their fair value.

## **FINANCIAL RISK MANAGEMENT**

The Company has exposure to the following risks from its use of financial instruments:

### **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company manages credit risk, in respect of cash, by placing cash at major Canadian financial institutions. The Company considers credit risk with respect to cash to be immaterial as cash is mainly held through large Canadian financial institutions.

### **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 approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquid funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The contractual financial liabilities of the Company as of December 31, 2018 equal \$21,128. All of the liabilities presented as accounts payable and due to related parties are due on demand. The Company intends to finance its operations over the next twelve months with loans from directors and companies controlled by directors and share private placements.

### **Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on capital.

As at December 31, 2018, the Company is not exposed to significant market risk.

## OUTSTANDING SHARE DATA

### *Disclosure of Outstanding Security Data*

<b>As at December 31, 2018</b>	<b>Number issued and outstanding</b>
Common Shares	32,894,500
Warrants	3,097,250
Stock Options	4,200,000
Fully Diluted	40,191,750

## TRANSACTIONS WITH RELATED PARTIES

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Related parties or transactions with related parties are assessed in accordance with IAS 24 "Related Party Disclosures". Related parties may enter into transactions which unrelated parties might not. Transactions between related parties are generally affected on the same terms, conditions and amounts as transactions between unrelated parties.

When considering each possible related party, not only their legal status is taken into account, but also the substance of the relationship between these parties.

Included in the Statements of Loss and Comprehensive Loss for the three months ended December 31, 2018 and December 31, 2017, are the following amounts, which arose due to transactions with related parties:

	<b>2018</b>	<b>2017</b>
Management fees charged by the Directors	\$ 4,000	\$ 0
Management fees charged by the President	18,000	5,000
Management fees charged by the CEO	18,000	5,000
	<b>\$ 40,00</b>	<b>\$ 10,000</b>

The Company had the following outstanding balances as at September 30, 2018 and September 30, 2017 with related parties:

	<b>2018</b>	<b>2017</b>
Due to the Directors	\$ 11,385	\$ 9,385
Due To CFO	2,000	0
Due to the President	1,163	1,163
Due to the CEO	1,163	1,163
	<b>\$ 15,711</b>	<b>\$ 11,711</b>

Due to related parties are expenses incurred by Directors of the Company on its behalf. Due to related party, balances are unsecured, without interests and are due on demand.

### **Officers and Directors**

- Ritch Wigham, CEO and Director
- Jas Rai, President and Director
- Peter Cummings, CFO
- Glen Macdonald, Director
- Max Braden, Director

### **OFF-BALANCE SHEET ARRANGEMENTS**

The Company does not have any off-balance sheet arrangements as at December 31, 2018 to the date of this MD&A.

### **CHANGES IN ACCOUNTING POLICIES**

As the Company began its operations on September 14, 2016 and the financial statements for the year ended September 30, 2018, all accounting policies were initially adopted during the financial year ended September 30, 2017, and have been maintained to year end September 30, 2018 and the first filing quarter ending December 31, 2018.

### **APPROVAL**

The Board of Directors of the Company has approved the disclosure contained in this MD&A on May 17, 2019.

Slave Lake Zinc Corp.  
Management Discussions and Analysis  
For the three-month ended December 31, 2018  
Amended and Restated

## **ADDITIONAL INFORMATION**

Additional information relating to the Company is on SEDAR at [www.sedar.com](http://www.sedar.com).

## **HEAD OFFICE and OPERATIONS**

**Slave Lake Zinc Corp.**  
8978 Lindsay Pl  
Surrey, British Columbia, Canada  
V3V 6E3

## **LISTINGS**

CSE: SLZ

## **CAPITALIZATION**

(as at December 31, 2018)  
Shares Issued: 32,894,500

## **TRANSFER AGENT**

Computershare  
3<sup>rd</sup> Floor, 510 Burrard Street  
Vancouver, British Columbia  
V6C 3B9

## **AUDITOR**

**Dale Matheson Carr-Hilton LaBonte LLP**  
1500 – 1140 West Pender Street  
Vancouver, British Columbia  
V6E 4G1