

FIRST DIVISION VENTURES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE COMPANY'S FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE PERIOD ENDED NOVEMBER 30, 2018

FORM 51-102F1

DATE AND SUBJECT OF REPORT

The following Management Discussion & Analysis ("MD&A") is intended to assist in the understanding of the trends and significant changes in the financial condition and results of operations of FIRST DIVISION VENTURES INC. (hereinafter "FDIV" or the "Company") for the nine months ended November 30, 2018.

The MD&A has been prepared with an effective date of January 24, 2019 and should be read in conjunction with the Company's November 30, 2018 condensed interim financial statements and audited financial statements for the year ended September 30, 2018 as filed on Sedar.

SCOPE OF ANALYSIS

The following is a discussion and analysis of FDIV. The Company reports its financial results in Canadian dollars and in accordance with International Financial Reporting Standards ("IFRS"). All reported financial information includes the financial results of FDIV.

FORWARD LOOKING STATEMENTS

Certain information included in this MD&A may constitute forward-looking statements. Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements.

Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. The Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from the Company's expectations include uncertainties involved in disputes and litigation, fluctuations in commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of

deposits; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and economic return; the need for cooperation of government agencies and native groups in the exploration and development of properties and the issuance of required permits; the need to obtain additional financing to develop properties and uncertainty as to the availability and terms of future financing; the possibility of delay in exploration or development programs or in construction projects and uncertainty in meeting anticipated program milestones; the assumption that the Company will become fully compliant with regulatory filing and continued listing requirements, in addition uncertainty as to timely availability of permits and other government approvals and other risks and uncertainties disclosed in other information released by the Company from time to time and filed with the appropriate regulatory agencies.

It is the Company's policies that all forward-looking statements are based on the Company's beliefs and assumptions which are based on information available at the time these assumptions are made. The forward-looking statements contained herein are as of January 24, 2019 and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws. Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties and other factors such as those described above and in "Risks and Uncertainties" below. The Company has no policy for updating forward looking information beyond the procedures required under applicable securities laws.

Additional information related to the Company is available for view on SEDAR at www.sedar.com.

GENERAL BUSINESS AND DEVELOPMENT

First Division Ventures Inc. (the "Company"), was incorporated on March 2, 2017 under the laws of the province of British Columbia. The Company's principal business activity is the exploration for mineral resources, in Nevada, USA.

On November 27, 2018, the Company completed its Initial Public Offering ("IPO") and its common shares were approved for trading on the Canadian Securities Exchange (the "CSE") under the trading symbol FDIV.

The Company's registered office and principal place of business is 41296 Tantalus Road, Squamish, British Columbia, Canada.

As at November 30, 2018, the Company is in the exploration stage and is in the process of exploring mining properties in addition to sourcing other business ventures and opportunities.

Selected Annual Information – For the year ended February 28, 2018.

Year Ended:	February 28, 2018
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Expenses	\$ 193,893
Net loss for the year	(195,648)
Basic and diluted loss per share	(0.09)
Balance Sheet Data:	
Cash	153,422
Total assets	173,422
Accounts payable and accrued liabilities	13,715
Shareholders' equity	159,707
Cash Flow Data:	
Increase (decrease) in cash for the year	153,422

RESULTS OF OPERATIONS

The Company incurred a net loss of \$195,648 for the year ended February 28, 2018. The total expenses of \$193,893 for the year ended February 28, 2018 related primarily to exploration expenditures totaling \$148,203 incurred on the exploration of the Fish Lake Property in Nevada, USA, and share-based compensation incurred on the issuance of shares to Founders of the Company.

During the period ended February 28, 2018, the Company issued 2,200,001 units at a price of \$0.01 per unit for proceeds of \$22,000.

During the period ended February 28, 2018, the Company closed a private placement by issuing 12,200,000 units at a price of \$0.025 per unit for proceeds of \$305,000. Each unit consists of one common share and one warrant at a price of \$0.10 per share for a period of 3 years from the occurrence of a going public event.

SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company's financial results for the seven most quarters since the Company's inception:

Quarter Ended	Revenue	Total expenses	Loss for the period	Basic and Diluted Loss per share
November 30, 2018	\$ -	\$ 125,044	\$ 124,235	\$ (0.00)
August 31, 2018	\$ -	\$ 57,780	\$ 58,633	\$ (0.01)

May 31, 2018	\$	-	\$ 14,441	\$	14,738	\$	(0.00)
February 28, 2018	\$	-	\$ 193,893	\$	195,648	\$	(0.09)
November 30, 2017	\$	-	\$ -	\$	-	\$	-
August 31, 2017	\$	-	\$ -	\$	-	\$	-
May 31, 2017	\$	-	\$ -	\$	-	\$	-

During the third quarter ended November 30, 2018, the Company had no material operations.

The Company incurred a net loss of \$124,235 for the three months ended November 30, 2018 compared to \$Nil for the comparable period ended November 30, 2017. The loss in the quarter ended November 30, 2018 relates primarily to fees in connection with the IPO. The Company paid commissions of \$40,000, corporate finance fees of \$15,000, and due diligence expenses and holdbacks for expenses of \$20,966 in association with the IPO. The Company was not active in the comparable period in 2017.

CHANGE IN FINANCIAL CONDITION

On November 27, 2018, the Company closed its Initial Public Offering and issued a total of 2,000,000 units at a price of \$0.20 per unit. Each share unit is comprised of one common share.

Total proceeds for the Offering was \$400,000 with net proceeds of \$333,284. The Company paid commissions of \$40,000, corporate finance fees of \$15,000, and due diligence expenses and holdbacks for expenses of \$20,966 in association with the IPO.

On November 27, 2018, the Company issued 200,000 brokers' warrants as part of its' Initial Public Offering. Each warrant is exercisable into one common share of the Company at an exercise price of \$0.20 until November 28, 2020.

The Company recorded share issuance costs of \$35,986 for the Black-Scholes fair market value of warrants issued under the Initial Public Offering.

LIQUIDITY AND CAPITAL RESOURCES

As at November 30, 2018, the Company had working capital of \$366,392 (November 30, 2017: \$Nil).

During the three months ended November 30, 2018, the Company incurred primarily expenditures associated with maintaining the operations of the Company, with the exception of costs associated with the Initial Public Offering noted above.

The Company has no operations that generate cash flows and its long-term financial success is dependent on discovering properties that contain mineral reserves that are economically recoverable or engaging in other profitable business ventures and opportunities.

The Company is dependent on the sale of treasury shares to finance its exploration activities, property acquisition payments and general and administrative costs. The Company will have to raise additional funds in the future to continue its operations. There can be no assurance, however, that the Company will be successful in its efforts. If such funds are not available or other sources of financing cannot be obtained, then the Company will be forced to curtail its activities.

PROJECT SUMMARIES AND ACTIVITIES

The Company's exploration properties consist of one geographical location, the Fish Lake Property, located in Nevada, USA.

Fish Lake Property, Nevada, USA

On September 25, 2017, and as amended on May 2, 2018, the Company entered into an option agreement with Bearing Lithium Corp. ("Bearing"), whereby the Company has the option to acquire 50% of Bearing's interest in 81 lode mineral claims located in Esmeralda County in the State of Nevada, known as the "Fish Lake Property", subject to the following items:

- (1) By making a cash payment of \$20,000 (paid) and issuing 20,000 consideration shares to Bearing (issued at \$0.025 per share);
- (2) Issue and deliver an aggregate of 3,000,000 common shares of the Company to Bearing on or before September 25, 2020;
- (3) Incurring an aggregate of \$1,500,000 in exploration expenditures on the Property as follows:
 - (i) \$60,000 on or before September 25, 2018 (incurred);
 - (ii) \$440,000 on or before March 25, 2020; and
 - (iii) \$1,000,000 on or before September 25, 2020

If the Company does not timely make all of the payments, or the consideration shares, are not issued as specified, or the expenditures are not incurred as specified and within the time frame provided, then the option agreement shall automatically terminate without notice. Notwithstanding the foregoing, the Company shall have the right to accelerate exercise of the option by making all of the cash payments and the expenditures and arranging for the issuance of all of the consideration shares.

Exploration expenditures incurred during the nine months ended November 30, 2018 consisted of geological consulting costs of \$18,268 and property tax payments of \$18,837.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

During the three months ended November 30, 2018, the following related party transactions occurred:

- (a) The Company paid consulting fees \$4,500 to JCL Partners Chartered Professional Accountants, a Company controlled by an officer of the Company.
- (b) Share based payments of \$24,292 were recorded on the issuance of 100,000 options to a director of the Company.
- (c) The Company has demand loans payable of \$6,300 owing to JCL Partners Chartered Professional Accountants, a Company controlled by the CFO of the Company.

All related party transactions are in the normal course of operations and have been measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

CONTINUING AND CONTRACTUAL OBLIGATIONS

The Company does not have any continuing and contractual obligations.

RISKS AND UNCERTAINTIES

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risk, including but not limited to, environmental, metal prices, political and economical.

The mineral exploration business is risky, and most exploration projects will not become mines. The Company may offer an opportunity to a mining company to acquire an interest in a property in return for funding all or part of the exploration and development of the property. For the funding of property acquisitions and exploration that the Company conducts, the Company depends on the issue of shares from the treasury to investors. These stock issues depend on numerous factors including a positive mineral exploration environment, positive stock market conditions, a company's track record and the experience of management.

The Company has no significant source of operating cash flow and no revenues from operations. The Company has not yet determined whether its mineral properties contain mineral reserves that are economically recoverable. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish reserves.

There is no guarantee that the Company will be able to contribute or obtain all necessary resources and funds for the exploration and exploitation of its permits and may fail to meet its exploration commitments.

The property that the Company has a 50% interest in are in the exploration stages only, are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, that are explored, are ultimately developed into producing mines.

Exploration of the Company's mineral properties may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters.

ACCOUNTING POLICIES, ESTIMATES AND JUDGMENTS

Refer to the Company's financial statements for the year ended February 28, 2018 for description of accounting policies and other disclosures.

OUTSTANDING SHARE DATA

As of November 30, 2018, the Company had 16,420,000 issued and outstanding common shares with 14,500,000 reserved for issuance. As of the date of this MD&A, the Company has 16,420,000 issued and outstanding shares with 15,100,000 reserved for issuance.

During the three months ended November 30, 2018, the Company closed its Initial Public Offering and issued a total of 2,000,000 units at a price of \$0.20 per unit. Each share unit is comprised of one common share. Total proceeds for the Offering was \$400,000 with net proceeds of \$333,284. The Company paid commissions of \$40,000, corporate finance fees of \$15,000, and due diligence expenses and holdbacks for expenses of \$20,966 in association with the IPO.

On November 27, 2018, the Company issued 200,000 brokers' warrants as part of its' Initial Public Offering. Each warrant is exercisable into one common share of the Company at an exercise price of \$0.20 until November 28, 2020. The Company recorded share issuance costs of \$35,986 for the Black-Scholes fair market value of warrants issued under the Initial Public Offering.

During the three-month period ended November 30, 2018, the Company granted 100,000 options to acquire common shares, of which all were issued to a director of the Company.

On December 11, 2018, the Company announced the issuance of 600,000 stock options to certain directors and officers pursuant to the Company's stock option plan. The options are exercisable for a period of 5 years at a price of \$0.20 per share.

Options:

A summary of the Company's stock option activity for the three months ended November 30, 2018 and as of the date of this MD&A are as follows:

	Number of Options	Weighted Average Exercise Price
Balance, February 28, 2018	-	\$ -
Issued, November 27, 2018	100,000	0.20
Balance, November 30, 2018	100,000	\$0.20
Issued December 10, 2018	600,000	0.20
As of Date of this MD&A	700,000	\$0.20

Warrants:

A summary of the Company's warrant activity for the three months ended November 30, 2018 and as of the date of this MD&A are as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, February 28, 2018	12,200,000	\$0.10
Issued November 27, 2018	200,000	0.20
Balance, November 30, 2018	12,400,000	\$0.10
No Activity	-	-
As of Date of this MD&A	12,400,000	\$0.10

APPOINTMENTS AND RESIGNATION OF DIRECTORS AND EXECUTIVE OFFICERS

There has been no change to the board of directors of executive team during the three months ended November 30, 2018.

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

During the three months ended November 30, there has been no significant change in the Company's internal control over financial reporting since last year.

The Chief Executive Officer and Chief Financial Officer of the Company are responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. They are also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's

interim financial statements for the period ended November 30, 2018 (together the “Interim Filings”).

The Chief Executive Officer and Chief Financial Officer of the Company have filed the Venture Issuer Basic Certificate with the Interim Filings on SEDAR at www.sedar.com.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers’ Annual and Interim Filings (“NI 52-109”), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (“DC&P”) and internal control over financial reporting (“ICFR”), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this MD&A and the Company will be provide copies upon request.