NICKEL ONE RESOURCES INC.

MANAGEMENT DISCUSSION AND ANALYSIS
For the year ended December 31, 2018

INTRODUCTION

The management discussion and analysis of financial condition and results of operations ("MD&A") focuses upon the activities, results of operations, liquidity and capital resources of Nickle One Resources Inc. (the "Company" or "Nickel One") for the year ended December 31, 2018. In order to better understand the MD&A, it should be read in conjunction with the audited financial statements and related notes for the year ended December 31, 2018. The Company's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and filed with appropriate regulatory authorities in Canada. This MD&A is current to April 26, 2019 and in Canadian dollars unless otherwise stated.

FORWARD LOOKING STATEMENTS

Information set forth in this MD&A may involve forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation; statements about the size and timing of future exploration on and the development of the Company's properties are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: the need for additional financing; operational risks associated with mineral exploration; fluctuations in commodity prices; title matters; environmental liability claims and insurance; reliance on key personnel; the volatility of our common share price and volume and other reports and filings with the TSX Venture Exchange ("TSX-V") and applicable Canadian securities regulations. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies the Company is bound. Investors are cautioned against attributing undue certainty to forward-looking statements.

The users of this information, including but not limited to investors and prospective investors, should read it in conjunction with all other disclosure documents provided including but not limited to all documents filed on SEDAR (www.SEDAR.com).

This MD&A has been prepared in accordance with the requirements of National Instrument 43-101, "Standards of Disclosure for Mineral Projects", and National Instrument 51-102, "Continuous Disclosure Obligations."

OVERVIEW

Nickel One is a mineral exploration company listed on the TSX Venture Exchange under the symbol "NNN" and is engaged in the exploration of mineral properties.

On February 23, 2016, Redline Resources Inc. ("Redline") completed its share exchange transaction (the "Transaction") between Tyko Resources Inc. ("Tyko") and Redline, pursuant to which Redline acquired all of the issued and outstanding common shares of Tyko (being 13,036,966 common shares, the "Tyko Shares") in exchange for the issuance of common shares of Redline on the basis of one common share of Redline for each of Tyko's common shares outstanding. Upon completion of the Transaction, Redline changed its name to Nickel One Resources Inc. and Tyko became a wholly-owned subsidiary of the Company.

HIGHLIGHTS OF EVENTS OCCURING SUBSEQUENT TO DECEMBER 31, 2018

Change of Board and Management

On March 28, 2019, the Company announced that Mr. Derrick Weyrauch was appointed as Interim President and Chief Executive Officer and Director of the Company. Mr. Weyrauch is an experienced mining executive and corporate director with a CPA CA designation. His background includes finance, risk management, corporate restructuring and turnarounds, coupled with M&A strategy development, execution and post transaction integration.

Additionally, the Company appointed Mr. Lawrence Roulston as the board of director. Mr. Roulston is a mining professional with over 35 years of diverse hands-on experience. He is an advisor who is providing business advisory and capital markets expertise to the junior and mid-tier sectors of the mining industry.

Name change and share consolidation

On April 4, 2019, the Company proposed to consolidate its share capital on basis of one (1) new common share without par value for every two (2) existing common shares (the "Share Consolidation"). As of reporting date, on a pre-consolidation basis, the issued and outstanding common shares of the Company were 51,730,553.

Additionally, the Company announced its intent to change its name in conjunction with the Share Consolidation to "Palladium One Mining Inc."

Financing

On April 4, 2019, the Company announced a non-brokered private placement to issue up to 17,000,000 post-consolidation units at a price of $0.08 post-consolidation per unit for gross proceeds of $1,360,000. Each post-consolidation unit consists of one common share and one common share purchase warrant ("Unit"). Each whole common share purchase warrant is exercisable into one common share for a period of two years from closing at a price of $0.12 post-consolidation per share. In connection with the financing, certain finders at arm's length to the Company may receive finders' fees in cash or in the numbers of units that equals to up to 7% of the gross proceeds raised in the financing.

Settlement of Debts

On April 10, 2019, the Company announced that it had reached agreement to settle outstanding indebtedness with arm's length parties in the sum of $110,699 by the issuance of 1,006,355 post-consolidation (2,012,710 pre-consolidation) common shares in the capital stock of the Company at a price of $0.11 per share post-consolidation ($0.055 pre-consolidation). The arm's length parties are consultants and service providers that provided various services to the Company in 2016 and 2017.

HIGHLIGHTS DURING THE YEAR ENDED DECEMBER 31, 2018

Financing and Corporate

- On January 2, 2018, 100,000 warrants were exercised at a price of $0.08 per share for gross proceeds of $8,000. Accordingly, the related warrants reserve of $3,000 was reallocated to capital stock.
- On March 12, 2018, the Company issued 5,000,000 common shares with a fair value of $275,000 and 2,500,000 common share purchase warrants at a price of $0.12 for the acquisition of Nortec Mineral Oy. In connection with the acquisition, the Company issued 250,000 common shares with a fair value of $11,250 as a finder's fee.

- During the year ended December 31, 2018, the Company completed a non-brokered private placement of 6,820,000 units at a price of $0.05 per unit for gross proceeds $341,000. Each unit consists of one common share and one-half common share purchase warrant. Each whole common share purchase warrant is exercisable into one common share for a period of two years from closing at a price of $0.10 per share. A total of $35,000 was received during the year ended December 31, 2017 and was included in subscription received in advance. The company incurred a total of $3,105 in share issuance costs related to the private placement.

Operations

Nickel One's net loss from operations for the year ended December 31, 2018 was $868,908 or $0.02 per common share (2017 - $625,245 or $0.02 per common share). Assets totaled $46,735 as at December 31, 2018 (2017 - $146,529).

Nickel One is an exploration stage company and engages principally in the exploration of resource properties. The Company expenses all direct and indirect costs pertaining to exploration and evaluation of mineral properties in the period in which they are incurred. These direct exploration and evaluation expenditures include such costs as acquisition costs, materials used, surveying costs, drilling costs and payments made to contractors. Costs not directly attributable to exploration and evaluation activities are expensed in the period in which they occur under another classification. As at December 31, 2018, $529,475 was expensed under exploration and evaluation expenditures (2017 - $136,192). Details of the expense break-down are contained in Note 7 Exploration and Evaluation Expenditures in the financial statements.

EXPLORATION UPDATE

Manitouwadge Property, Canada

The Company did not undertake any exploration activities in 2018.

The Manitouwadge Property (the "Tyko Project"), acquired through the purchase of Tyko, is a nickel (Ni), copper (Cu), platinum-group element (PGE) project, and as of April 3, 2019 comprised 459 single cell mining claims covering approximately 10,098 hectares. The mining cell claims are located in the Bigrock Lake and Olga Lake areas, and the townships of McGill and Shabotik, Thunder Bay Mining Division, Ontario, Canada (NTS 42C/13NW and 14NE).

There are two significant Ni-Cu-PGE showings or zones on the Tyko Project; the RJ and Tyko zones. These zones are separated by 2 km with a 10 km long interpreted ultramafic conduit structure that has strong potential to host additional Ni-Cu-PGE mineralization.

On March 8, 2016, the Company announced it would commence a diamond drilling program at the Tyko Project in order to confirm the orientation of known mineralization in the channel structures, extend the continuity of mineralization at the RJ and Tyko showings, and test additional targets, including the Bruce Lake Anomaly, an AeroTEM airborne geophysics anomaly. The diamond drilling program consisted of 14 drill holes, totalling 1,780 metres with five holes at the RJ zone (TK-16-001 to 005), six holes at the Tyko zone (TK-16-006 to 011), and three holes on the Bruce Lake Anomaly (TK-012 to 014). Final assay results from the diamond drilling program were reported on June 8, 2016.

The RJ Zone consists primarily of metamorphosed mineralized pyroxenite which has been intruded by later granitoid rocks. The mineralized pyroxenite contains abundant rip-up clasts of other mafic-ultramafic phases and clastic sediments indicative of an active feeder-type system. The mineralization is nickel-rich with an average Ni:Cu ratio of ~2:1 and a Pt:Pd ratio of ~1:1. Sulphides are typically disseminated to blebby with local patches of net-textured and semi-massive sulphide breccia.

The overall sulphide tenors of the Ni-Cu-PGE mineralization at the Tyko Property are very high. Previous analysis indicates tenors in 100% sulphide that average 13.0% Ni, 8.8% Cu, 6.6g/t PGE (Pt+Pd) at the RJ Zone and 12.9% Ni, 14.5% Cu, and 13.6g/t PGE at the Tyko Zone. The high tenor of the sulphide suggests a high value flotation concentrate could be generated from RJ- or Tyko-style mineralization. This indicates that even a disseminated sulphide deposit could potentially be economic and further supports the view that Nickel One's 100% owned Tyko Project contains a fertile magmatic feeder system. The Company's objective is to delineate this feeder system and ultimately develop mineral resources.

As at December 31, 2018, the Company has spent a total of $1,210,140 on the property since it was acquired by Tyko in 2010.

Lantinen Koillismaa PGE-Cu-Ni project ("LK Project"), Finland

The Company did not undertake any exploration activities in 2018.

The LK Project is located in north-central Finland approximately 60 km north of the village of Taivalkoski. The Property is situated about 130 km southeast of the town of Rovaniemi and 160 km northeast of the port city of Oulu and is accessed by major paved roads and local access on gravel or dirt roads.

The Project comprises two separate groups of registered and pending exploration permits totalling approximately 3,845 hectares, with two valid Exploration Permits (~414 ha) in the process of renewal and seven Exploration Permits (~3,431 ha), also in the process of renewal. These exploration permits cover the structurally separated sections of the two mineral deposits (Kaukua and Haukiaho).

The elements palladium, platinum, gold, copper, cobalt, and nickel are known to be present and have been analysed in drilling and surface sampling in the Property. The deposit type is a basal accumulation including PGE-Cu-Ni in the Koillismaa Layered Mafic Intrusion. This intrusion forms part of the 2.5-2.4 Ga Tornio-Näränkävaara Layered Intrusion Belt that runs roughly east- west across Finland and into neighbouring Russia.

On January 31, 2017, the Company signed a Definitive Agreement with Micron Waste Technologies Inc. ("Micron") (formerly Finore Mining Inc.) for the purchase of 100% interest in the Lantinen Koillismaa PGE-Cu-Ni project ("LK Project") located in North-central Finland. In 2018, the Company completed the acquisition pursuant to the Definitive Agreement and please refer to "Acquisition of Nortec Mineral Oy" for additional details.

On December 1, 2017, the Company filed a National Instrument 43-101 Technical Report relating to the LK Project, with an effective date of November 17, 2017.

Acquisition of Nortec Mineral Oy

On February 28, 2018, the Company completed the acquisition pursuant to the Definitive Agreement. The Company paid Micron 5,000,000 common shares of Nickel One with a fair value of $275,000 and 2,500,000 common share purchase warrants, exercisable at $0.12 for 24 months. The share purchase warrants have a fair value of $65,769 which has determined using a Black Scholes valuation model with the following assumptions:

	2018
Forfeiture rate	0.00%
Estimated risk-free rate	1.78%
Expected volatility	139%
Estimated annual dividend yield	0.00%
Expected life of options	2 years

In connection with the acquisition, the Company issued 250,000 common shares with a fair value of $11,250 as a finder's fee.

The following table summarizes the allocation of the purchase price and related acquisition costs to the fair value of the assets acquired and liabilities assumed of Nortec at the date of acquisition:

Purchase price (5,000,000 common shares)	$	275,000
Fair value of warrants (2,500,000 common share purchase warrants)		65,769
Transaction costs (250,000 common shares)		11,250
Total cost of acquisition	**$**	**352,019**
Cash and cash equivalents	$	4,932
Prepaid expensed and deposits		14,438
Sales tax receivable		6,449
Equipment		892
Accounts payable and accrued liabilities		(201,208)
Mineral property		526,516
Net identifiable assets acquired	**$**	**352,019**

The value attributed to the acquisition of the mineral property is included exploration and evaluation in profit and loss in line with the Company's policy mineral exploration and evaluation expenditures.

Scott Jobin-Bevans, P. Geo. a director and VP Exploration for the Company, is the Qualified Person as defined by National Instrument 43-101 and has reviewed and approved the technical information in this document. Dr. Jobin-Bevans is a registered geoscientist with over 30 years 'experience in the mineral exploration industry.

REVIEW OF OPERATIONS AND FINANCIAL RESULTS

Year ended December 31, 2018 and 2017

During the year ended December 31, 2018, the Company reported a net loss before comprehensive loss of $868,908 (2017 - $625,245), an increase of $243,663. The primary contributors to the increase in net loss were:

- Increased in exploration and evaluation fees in the amount of $393,283 as the result of the Company completed and recognized the acquisition costs of mineral property during the year.

Partially offset by the following changes:

- Decreased investor relations expenses in the amount of $106,055 as the result of the Company have less activities for evaluating potential business opportunities.
- Decreased in professional fees in the amount of $77,198 as the result of the Company incurred a larger legal fee in connection with the acquisition of mineral property in the prior year.
- No share-based compensation expense incurred (2017 - $14,820)

Three months ended December 31, 2018 and 2017

During the three months ended December 31, 2018, the Company reported a net loss before comprehensive loss of $583,501 (2017 - $166,884) an increase of $416,617. The primary contributors to the increase in net loss were:

- increased in rents in the amount of $10,571 as a result of additional rents for subsidiary's storage and office in Finland.
- increased in exploration and evaluation fees in the amount of $526,507 as Company completed and recognized the acquisition costs of mineral property during this quarter.

Exploration and evaluation expenditures

The Company expenses all exploration costs as incurred. During the year ended December 31, 2018, the Company expensed $529,475 (2017 - $136,192) in exploration and evaluation expenditures. The Company needs to raise additional funds to fund and maintain its exploration projects.

Other income and expenses

During the year ended December 31, 2018, the Company had other income of $11,737. This was due to the interest income accrued in the amount of $1,737 and the gain on debt settlement in the amount of $10,000.

During the year ended December 31, 2017, the Company incurred $6,403 in other non-operating expenses. This was comprised of interest income of $1,605, amortization of flow-through premium liability of $5,408, a gain on debt settlement of $20,481, loss on investments of $33,897.

SELECTED ANNUAL FINANCIAL INFORMATION

The following table summarizes selected financial data reported by the Company for the years ended December 31, 2018, 2017, and 2016. The information set forth should be read in conjunction with the consolidated audited financial statements, prepared in accordance with International Financial Reporting Standards ("IFRS"), and the related notes thereon.

		2018		2017		2016
Current assets	$	46,067	$	146,529	$	187,784
Investments		-		-		87,727
Total assets		46,735		146,529		187,784
Current liabilities		508,593		402,393		243,806
Capital stock		5,722,739		5,087,594		4,783,288
Reserves		707,054		644,685		558,188
Net income (loss)		(868,908)		(625,245)		(2,938,684)
Deficit		(6,891,651)		(6,022,743)		(5,397,498)
Earnings (loss) per share	$	(0.02)	$	(0.02)	$	(0.12)
Weighted average shares		49,399,348		36,566,478		24,261,472

SUMMARY OF QUARTERLY RESULTS

The following summary information is taken from the Company's quarterly and annual financial reports covering the last eight reporting quarters.

	Dec 31, 2018	Sep 30, 2018	Jun 30, 2018	Mar 31, 2018	Dec 31, 2017	Sep 30, 2017	Jun 30, 2017	Mar 31, 2017
Operating expenses	*$(583,955)	$(28,376)	$(64,829)	$(203,485)	$(179,096)	$(63,157)	$(166,972)	$(209,617)
Other income or (expense)	$454	$443	$427	$10,413	$12,212	$403	$24,847	$(43,865)
Net loss	$(583,501)	$(27,933)	$(64,402)	$(193,072)	$(166,884)	$(62,754)	$(142,125)	$(253,482)
Basic and diluted earnings (loss) per share	$(0.01)	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.01)
Total assets	46,735	$51,209	$58,102	78,547	$146,529	$123,726	$170,266	$168,658
Shareholders' (deficiency)	$(461,881)	$(405,343)	$(350,138)	$(289,201)	$(255,864)	$(123,980)	$(61,226)	$(239,684)
Capital stock	$5,722,739	$5,722,239	$5,727,239	$5,436,579	$5,087,594	$5,157,894	$5,157,894	$4,783,288
Subscriptions received	-	-	-	-	35,000	-	-	-
Reserves	$707,054	$707,054	$707,054	$636,785	$644,685	$573,985	$573,985	$573,008
Deficit	$6,891,651	$6,308,621	$6,280,217	$6,215,815	$6,022,743	$5,855,859	$5,793,105	$5,650,980

*Operating expenses significantly increased during the quarter ended December 31, 2018, due to the Company incurred $526,507 in exploration and evaluation expenditures with respects to the acquisition costs of LK projects.

LIQUIDITY AND CAPITAL RESOURCES

Years ended December 31, 2018 and 2017

As at December 31, 2018, the Company reported working capital deficit of $462,526 (2017 - $255,864). The decrease in working capital was primarily the result of the completion of the acquisition of Nortec Mineral Oy.

Cash used in operating activities during the year ended December 31, 2018 was $334,853 (2017 - $332,476) due to the acquisition costs of mineral property.

Cash used in investing activities for the year ended December 31, 2018 was $4,932 (2017 – $26,170). This was in connection with the acquisition of mineral property.

Cash proceeds generated from financing activities for the year ended December 31, 2018 was $293,895 (2017 - $394,948).

Shareholders' equity

During the year ended December 31, 2018, the Company issued 6,820,000 common shares and raised $337,895 (net of share issuance costs) from the private placement that closed on April 27, 2018.

During the year ended December 31, 2018, the Company issued 5,000,000 common shares with a fair value of $275,000 and 2,500,000 common share purchase warrants at a price of $0.12 for the acquisition of Nortec. In connection with the acquisition, the Company issued 250,000 common shares with a fair value of $11,250 as a finder's fee.

During the year ended December 31, 2018, the Company issued 100,000 common shares for $8,000 worth of warrants exercised.

At December 31, 2018, capital stock was $5,722,739 comprised of 51,730,553 issued and outstanding common shares (2017 - $5,087,594 comprised of 39,560,553 shares outstanding). Reserves which arise from the recognition of the estimated fair value of stock options was $707,054 (2017 - $644,285). As a result of the net loss for the year ended December 31, 2018 of $868,908 (2017 - $625,245), the deficit at December 31, 2018 increased to $6,891,651 from $6,022,743 at December 31, 2017. Accordingly, shareholders' deficit was $461,858 as compared to shareholders' deficit of $255,864 at December 31, 2017.

Loan receivable

Upon completion of the Transaction, the Company acquired a $13,629 loan receivable from Redline Minerals Inc. ("RMI") comprised of a principal balance of $4,175 and accrued interest of $9,454. The Chief Executive Officer of RMI was also the Chief Executive Officer of Redline prior to the completion of the Transaction. Interest is payable on the loan at the rate of 10% per annum and the principal plus interest is due at the earliest of twelve months following the first advance on May 4, 2012 under the loan agreement or the date RMI obtains financing sufficient to repay the loan amount outstanding. The loan is secured against RMI's current and hereafter-acquired assets.

At December 31, 2018, the total outstanding amount of the loan plus accrued interest was $18,335 (2017 - $16,611).

Loans payable

As at December 31, 2018, $nil in loans payable remains outstanding (2017 - $27,000). During the year ended December 31, 2018, the Company paid off $17,000 short-term loan in cash. Also, the Company negotiated a settlement of another outstanding loan of $10,000 from prior periods and recognized a gain on forgiveness of debt.

At present, the Company's operations do not generate cash inflows and its financial success is dependent on management's ability to discover economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control. See "Risks and Uncertainties".

In order to finance the Company's future exploration programs and to cover administrative and overhead expenses, the Company may raise money through the sale of equity instruments. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience and calibre of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activities. Management believes it will be able to raise equity capital as required in the long term but recognizes there will be risks involved that may be beyond their control.

COMMITMENTS

As of December 31, 2018, the Company had no material lease obligations or significant contractual obligations other than those associated with its loans payable.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have off balance sheet arrangements.

FINANCIAL INSTRUMENTS

As at December 31, 2018, the Company's financial instruments consist of cash, sales tax receivable, loan receivable, accounts payable and accrued liabilities, loans payable and loans payable to related parties. The carrying values of these financial instruments approximate their fair values because of their short-term nature and/or the existence of market related interest rates on the instruments. The Company's investments, under the fair value hierarchy, are based on level one input.

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. Financial instruments that potentially subject the Company to credit risk consist of cash and receivables. The Company's cash is held through a large Canadian financial institution. The Company's receivables consist of sales tax receivable due from the Government of Canada and Finland of $2,307 (2017 - $3,235), and a loan receivable of $18,335 (2017 - $96,611).

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk through the management of its capital structure, as outlined in Note 11 of these financial statements. As at December 31, 2018, the Company had a cash balance of $1,022 (2017 - $37,048) to settle current liabilities of $508,593 (2017 - $402,393). The Company will need to raise sufficient funds to meet its obligations.

Other Market Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on profit or loss and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold, silver and copper, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

RELATED PARTY TRANSACTIONS

Key management compensation

Key management consists of the Company's directors and officers. In addition to management and consulting fees paid to these individuals, or companies controlled by these individuals, the Company provides non-cash benefits. Remuneration of key management includes the following:

	Year ended December 31, 2018		Year ended December 31, 2017
Salaries and consulting fees	160,000	$	84,000
Share-based compensation	Nil		11,606
Total remuneration	160,000	$	95,606

Related party transactions and balances not disclosed elsewhere in these financial statements are as follows:

- The balance payable to related parties as at December 31, 2018 was $196,074 (2017 - $134,481) and is included in accounts payable and accrued liabilities. These payables are unsecured, non-interest bearing and are expected to be repaid under normal trade terms.

- Loans payable to related party as at December 31, 2018 consists of a $1,500 (2017 - $1,500) loan from a director. The loan is non-interest bearing, unsecured and has no fixed terms of repayment.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Company's accounting policies are described in Note 3 to the consolidated financial statements for the year ended December 31, 2018. The preparation of financial statements in accordance with IFRS requires management to select accounting policies and make estimates. Such estimates may have a significant impact on the financial statements. Actual amounts could differ materially from the estimates used and, accordingly, affect the results of the operations. Areas where estimates were used for the year ended December 31, 2018 include the valuation of acquisition of mineral property transactions.

NEW AND REVISED STANDDARDS AND INTERPRETATIONS

IFRS 9*, Financial Instruments* (new; replaces IAS 39)

On January 1, 2018, the Company adopted the requirements of IFRS 9. IFRS 9 uses a single approach to determine whether a financial asset is classified and measured at amortized cost or fair value, replacing the multiple rules in IAS 39, *Financial Instruments: Recognition and Measurement* ("IAS 39"). The approach in IFRS 9 is based on how an entity manages its financial instruments and the contractual cash flow characteristics of the financial asset. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9 and, therefore, the accounting policy with respect to financial liabilities is unchanged.

The following table shows the classification of the Company's financial assets and liabilities under IFRS 9:

Financial asset or liability	IAS 39 Classification	IFRS 9 Classification
Cash and cash equivalents	Amortized cost	FVTPL
Loans Receivables	Amortized cost	Amortized cost
Loans Payable to related parties	Amortized cost	Amortized cost
Accounts payable and accrued liabilities	Amortized cost	Amortized cost

As the accounting reflected by the adoption of IFRS 9 under the above classifications and election is similar to that of IAS 39, there was no impact on the Company's consolidated financial statements and no restating of prior periods will be required.

IFRS 15, *Revenue from Contracts with Customers* (new, replaces IAS 18)

On January 1, 2018, the Company adopted IFRS15, which supersedes IAS 18- Revenue ("IAS18"). IFRS 15 establishes a single five-step model framework for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with customer. The standard is effective for annual periods beginning on or after January 1, 2018.

The Company is a junior mining exploration company and it currently does not generate any revenue from contracts with customers. Therefore, the adoption of this standard did not have any significant impact on the Company's consolidated financial statements.

NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for future accounting periods. The following have not yet been adopted by the Company:

- IFRS 16 – Leases: New standard to establish principles for recognition, measurement, presentation and disclosure of leases with an impact on lessee accounting, effective for annual periods beginning on or after January 1, 2019. Management estimates the adoption of the above standard, amendments and interpretations will not have a material impact on the results and financial position of the Company.

- IFRIC 23 - Uncertainty over Income Tax Treatments: New standard to clarify the accounting for uncertainties in income taxes. The interpretation provides guidance and clarifies the application of the recognition and measurement criteria in IAS 12 "Income Taxes" when there is uncertainty over income tax treatments. The interpretation is effective for annual periods beginning on January 1, 2019. Management does not anticipate this standard to have a material impact on the financial statements.

RECENT DEVELOPMENTS AND OUTLOOK

The Company expects to obtain financing in the future primarily through further equity financing. There can be no assurance that the Company will succeed in obtaining additional financing, now or in the future. Failure to raise additional financing on a timely basis could cause the Company to suspend its operation and eventually to forfeit or sell its interest in its exploration and evaluation assets.

RISKS AND UNCERTAINTIES

The Company recognizes that certain risks are inherent in its business plan, which requires the Company to manage its affairs to minimize the potential impact of such risks to its operations. Some of these risk factors include risks associated with land titles, exploration and development, government and environmental regulations, permits and licenses, competition, dependence on key personnel, fluctuating mineral and metal prices, the requirement and ability to raise additional capital through future financings and price volatility of publicly traded securities. Please refer to the financial statement for the year ended December 31, 2018 for more detailed discussion of such risk factors.

PROPOSED TRANSACTIONS

There are no proposed transactions that should be disclosed.

OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares without par value. As at the date of this MD&A, the following common shares, options, and share purchase warrants were outstanding:

	Number of shares	Exercise price	Expiry date
Issued and outstanding common shares	51,730,553		
Share purchase warrants	2,243,315	$0.08	June 21, 2019
Share purchase warrants	2,500,000	$0.12	February 28, 2020
Share purchase warrants	3,360,000	$0.10	March 19, 2020
Share purchase warrants	50,000	$0.10	April 27, 2020
Stock options	1,375,000	$0.15	March 29, 2021
Fully diluted	61,258,868		

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's general and administrative expenses is provided in the Company's Statement of Operations and Comprehensive Loss contained in its audited financial statements for December 31, 2018, that are available on SEDAR (*www.sedar.com*).

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at www.sedar.com.