



VAL D'OR MINING CORPORATION

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

DATED: March 14, 2019

SCOPE OF THIS MANAGEMENT'S DISCUSSION AND ANALYSIS AND NOTICE TO INVESTORS

This management's discussion and analysis of financial position and results of operations ("MD&A"), is prepared as of March 14, 2019, and complements the audited financial statements of Val-d'Or Mining Corporation ("Val-d'Or" or the "Company"), for the year ended December 31, 2018 and 2017.

All financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") and all amounts are in Canadian dollars unless otherwise indicated. Additional information is provided in the Company's audited financial statements for the year ended December 31, 2018.

The audited financial statements and the MD&A have been reviewed by the audit committee and approved by the Company's Board of Directors on March 14, 2019. These documents and more information about the Company are available on SEDAR at www.sedar.com.

FORWARD LOOKING STATEMENTS

Certain statements made in this MD&A are forward-looking statements or information. The Company is hereby providing cautionary statements identifying important factors that could cause the Company's actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "is expected to", "anticipates", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. In making these forward-looking statements, the Company has assumed that the current market will continue and grow and that the risks listed below will not adversely impact the business of the Company. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond the control of the Company that could influence actual results are summarized below under the heading "Risks and Uncertainties".

Further, unless otherwise noted, any forward-looking statement speaks only as of the date of this MD&A, and, except as required by applicable law, the Company does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the business of the Company, or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement.

ABOUT VAL-D'OR MINING CORPORATION

The Company, incorporated on February 18, 2010 under the Business Corporations Act of British Columbia, is involved in the process of exploring, evaluating and promoting its mineral properties and other projects.

The head office of the Company is located at 152 Chemin de la Mine École, Val d'Or, Québec, J9P 7B6. The Company's registered and records office is located at #530 - 355 Burrard Street, Vancouver, B.C. V6C 2G8. The Company also has exploration offices located at 2864 Chemin Sullivan, Val-d'Or, Québec, J9P 0B9.

Effective November 9, 2018, the Company's shares, which are listed on the TSX Venture Exchange, changed its trading symbol to "VZZ".

Golden Valley Mines Ltd. ("Golden Valley"), a significant shareholder, holds a 24.82% interest in the Company as at December 31, 2018 and 32.56% as at the date of this report.

MINERAL PROPERTIES

The following table presents a summary of the carrying value of the Company's exploration and evaluation assets by prospects:

Prospect	As at December 31,	
	2018	2017
Abitibi Greenstone Belt Prospect - Québec and Ontario		
Oregon Prospect – Val-d'Or, Québec	\$ 423,517	\$ 7,652
Magoma Prospect – Val-d'Or, Québec	386,760	7,841
Ducros Sill Prospect – Val-d'Or, Québec	174,337	-
Baden Prospect - Ontario	45,234	8,767
Other Prospects - Québec	20,830	256
Other Prospects - Ontario	7,621	250
	1,058,299	24,766
Chibougamau-Chapais Prospect – Central Quebec	-	17,463
Other	28,504	-
	\$ 1,086,803	\$ 42,229

Abitibi Greenstone Belt Prospect - Québec and Ontario

On April 18, 2017, the Company signed a Mining Option Agreement ("Option") with Golden Valley, to acquire a 100% interest in the Abitibi Greenstone Belt Prospect consisting of 61 grassroots properties. Pursuant to the terms of the Option, the Company must incur \$4,000,000 of expenditures with respect to exploration and other mining operations on the properties before December 31, 2021 (with \$500,000 to be incurred on or before December 31, 2018, \$750,000 to be incurred on or before the December 31, 2019, \$1,000,000 to be incurred on or before December 31, 2020, and \$1,750,000 to be incurred on or before December 31, 2021).

As consideration for the Option, the Company will issue 16,666,668 common shares to Golden Valley at a deemed price of \$0.12 per share for an aggregate deemed value of \$2,000,000 (issuable as to 4,166,667 common shares on or before each of December 31, 2018, 2019, 2020 and 2021). In addition, the Company has granted Golden Valley a royalty equal to 1.25% of the net smelter returns ("NSRs") from the 61 properties on the terms set out in the Option of which 1% may be bought back by the Company by paying Golden Valley \$5,000,000, at the Company's option, in cash or shares at a deemed price per share equal to the market price of the Company's shares at the time of such election. If the Company has issued the common shares and incurred the expenditures provided for in the Option, it may exercise the option on or before December 31, 2021.

The Company has exceeded its obligation to incur \$500,000 of expenditures on or before December 31, 2018 as required under the Option. The Company intends to continue the earn-in process and it has therefore issued, subsequent to year end, a total of 4,166,667 of its common shares, valued at \$416,667, to Golden Valley.

Program Details – Key Properties

The Company concentrated its 2018 efforts on the Oregon Prospect, Magoma Prospect, and Ducros Sill Prospect located in northwestern Québec.

- **Oregon Prospect, Val-d'Or, Québec** - The Oregon Prospect covers an elongated granodiorite intrusion that dips to the northeast and lies along a northwest southeast axis. The granodiorite hosts the historic Oregon Showing (Corps Minéralisé 32/C05-0011. MRNF SIGEOM). This mineral occurrence occurs within a fracture zone that hosts a series of parallel quartz stringers mineralized with pyrite.
- **Magoma Prospect, Val-d'Or, Québec** - The property overlies the felsic volcanic rocks of the Hunter Mine Group and is situated midway between the Rouyn-Noranda and Normetal mining camps. The Magoma gold showing occurs within an extensive network of quartz veins controlled by intense shearing that cuts through tuffaceous and porphyritic units of rhyolite. This geological setting is proximal to a fault splay from the regional gold bearing *Macamic Deformation Corridor* that passes through the northeast part of the property.
- **Ducros Sill Prospect, Val-d'Or, Québec** - The Ducros prospect covers an elongated, north-south trending ultramafic (dunite/pyroxenite) sill complex prospective for magmatic Ni-Cu-PGE mineralization.

The intent of the Company is to advance some of these optioned properties towards a drill program later in 2019, either internally or through a joint venture. Consequently, the Company commissioned ground geophysical surveys on the Oregon, Magoma and Ducros Sill Prospects. Follow-up prospecting and geological programs are planned for ground-truthing of defined geophysical anomalies and complete detailed mapping and characterization of the historical mineralization, to assist with drill target selection.

In addition, the Company completed remote sensing studies over the Harricana Fault (NW Québec) and Jonsmith (NE Ontario) prospects as an aid for future work planning.

Program Details – Other Programs

The Company carried out a reconnaissance prospecting campaign on several properties in the Chibougamau area. Those properties were initially staked based on geophysical anomalies and/or prospective geological formations and/or mineral showings, that were identified from government geophysical data sets. The results of the prospecting campaign and follow-up property compilation work improved the general understanding of the local geology, and the Company has identified the Bejopipa, Bearmac and Threshold 87 prospects as new priority exploration properties. The results of this prospecting of various geophysical anomalies and geological targets also caused the Company, in consultation with Golden Valley, to drop 5 of the grassroots projects.

Other Properties:

The Company's 100%-owned assets included six (6) exploration properties located in the Abitibi Greenstone Belt (Québec), two (2) properties located in the Nunavik Region (Ungava Belt and Labrador Trough) in northern Québec, and three (3) located in north-central (James Bay) Québec. The Abitibi Greenstone Belt (Québec) properties are comprised of gold (1), copper-zinc-silver (4) and nickel-copper-PGM (1) projects. The Nunavik Region properties are comprised of nickel-copper-PGM prospects, and the north-central Québec (James Bay) are comprised of chromium prospects.

Fortin Prospect – Abitibi Greenstone Belt - Senneterre, Québec

The Fortin Prospect is located in the central part of Ducros Township, approximately 80 kilometres northeast of the City of Val-d'Or, Québec, and consists of 5 contiguous mining claims. The Company holds a 100% interest in this property that is subject to a 1.5% NSR in favour of the original vendors. The Company retains the right to buyback the NSR at anytime; 0.5% buyback for \$500,000 and 1% buyback for \$1,000,000.

Presently no immediate exploration fieldwork is planned on the property.

Boston Bulldog Prospect – Abitibi Greenstone Belt - Kirkland Lake, Ontario

Subsequent to the mining claim to cell claim conversion process completed by the Ontario government in April 2018, the Boston Bulldog Prospect now consists of 15 claim cells (14 single cell and 1 boundary cell claims), covering an area of approximately 326 hectares. Prior to the cell to claim conversion process, the property consisted of a single claim of 144 hectares.

On February 16, 2015, the Company entered into a Mining Option Agreement, amended on March 6, 2015, March 24, 2017, January 19, 2018 and March 5, 2019, pursuant to which it has been granted by 2973090 Canada Inc., a Canadian private company wholly-owned and controlled by the President and Director of the Company, an option to acquire a 100% interest in the mineral claims comprising the Boston Bulldog Prospect, subject to a 3% NSR royalty. In consideration of the grant of the option, the Company paid 2973090 Canada Inc. a sum of \$5,000 in cash to cover the cost of staking the property and issued 300,000 common shares (issued in April 2015). To maintain and exercise the option, the Company must keep the property in good standing and incur exploration expenditures of \$50,000 by April 7, 2020.

In accordance with the terms of the option, the Company has the right to reduce the royalty from 3% to 2% of the NSR by paying 2973090 Canada Inc. \$1,000,000 at any time on or before February 16, 2022.

On December 30, 2016, the 3 mining claims expired and the Company attempted to re-stake the claims but was met with competition for said claims and they were staked by another party. However, the Company was of the opinion that the other party did not follow proper staking procedures on one of the claims, re-staked it and subsequently submitted a claim dispute to Mining Recorder at the Ministry of Northern Development and Mines ("MNDM"). On November 8, 2017, the Company received confirmation that the dispute filed was decided in favour of the Company and therefore had full title restored.

An exploration program for the property is currently at the planning stage.

Shoot-Out (East and West) Prospect - Northern Québec

The Shoot-Out Prospect is the combination of two properties, Shoot-Out East and Shoot-Out West, and consists of 154 claims (6,251 ha) located in the Raglan Belt of northern Québec. The Company has a 100% ownership interest in this property that is subject to a 3% NSR in favour of the original vendors, one of which is a director and officer of the Company.

The Company is currently evaluating a potential work program on this property.

Marymac Prospect – Labrador Trough, Québec

The Marymac Prospect located in the Labrador Trough of Québec, consists of 22 Map Designated Units (each an "MDU"). The Company holds a 100% interest in the Marymac Prospect that is subject to a 2% NSR interest in favour of Capex Group Inc. (formerly 862539 Alberta Ltd.), which was granted pursuant to an agreement dated March 1, 2001.

Presently no immediate exploration fieldwork is planned on the property.

OTHER DEVELOPMENTS

In 2010, the Company entered into a Management and Administrative Services Agreement (the "Management Agreement") with Golden Valley, pursuant to which Golden Valley will provide certain administrative, management and financial services such as office space, administrative support, including the use of Golden Valley's in-house legal counsel for day to day general enquiries, services of a consultant and investors relations services to the Company in consideration of \$96,000 per year, payable by the Company on a monthly basis, plus applicable taxes. However, Golden Valley suspended the management fees to Val-d'Or Mining in 2012 to enable the Company to conserve cash for operations.

On January 1, 2018, the Company entered into a Termination Agreement with Golden Valley under which the Company agreed to terminate the Management Agreement, in exchange for a settlement fee of \$60,000 payable by the Company as consideration for its failure to pay the management fees since the date of suspension of the Management Agreement.

On April 6, 2018, the Company announced that, subject to acceptance by the TSX Venture Exchange (“Exchange”) and with the intent of preserving its cash resources for operations, it proposed issuing approximately 857,142 common shares at a deemed per share price of \$0.105 in settlement of an aggregate of \$90,000 in accrued debt owing to Golden Valley. Of the aforementioned debt to Golden Valley, \$30,000 is an outstanding loan and \$60,000 relates to the consideration payable under the terms of a termination agreement entered into effective January 1, 2018. On April 30, 2018, the Exchange accepted the shares for debt submission. On May 22, 2018, the Company issued the 857,142 of its common shares to Golden Valley to settle its debt obligations.

SELECTED FINANCIAL INFORMATION

FINANCIAL CONDITION REVIEW

	As at December 31, 2018		As at December 31, 2017	
Assets	\$	1,780,286	\$	1,417,535
Liabilities		30,469		109,017
Equity		1,749,817		1,308,518

ASSETS

Total assets as at December 31, 2018 were \$1,780,286 compared to \$1,417,535 as at December 31, 2017, an increase of \$362,751. The significant components of Total assets relate to Cash and cash equivalents and Exploration and evaluation assets.

The Company ended fiscal year 2018 with cash and cash equivalents of \$627,208 compared to \$1,355,967 as at December 31, 2017, a decrease of \$728,759 from funding the Company’s operation and exploration and evaluation activities at prospects located in the Abitibi Greenstone Belt of Québec.

Exploration and evaluation assets have increased from \$42,229 as at December 31, 2017 to \$1,086,803 as at December 31, 2018 due to expenditures incurred on advancing the key properties in the Abitibi Greenstone Belt of Québec towards a drill program later in 2019.

LIABILITIES

Total liabilities as at December 31, 2018 were \$30,469 compared to \$109,017 as at December 31, 2017, a decrease of \$78,548. This decrease was mainly attributable to a settlement fee of \$60,000 recognized as at December 31, 2017 in connection with the termination agreement concluded with Golden Valley, which was settled in the second quarter of 2018, including the note payable due to Golden Valley in the amount of \$30,000, through the issuance of common shares of the Company as further described above.

EQUITY

Total equity as at December 31, 2018 were \$1,749,817 compared to \$1,308,518 as at December 31, 2017, an increase of \$441,299. The increase was due to the recognition of share-based compensation of \$305,399 following the grant of 3,110,097 stock options, issuance of 2,318,180 shares under a private placement for gross proceeds of \$255,000, issuance of 857,142 shares on settlement of \$90,000 debt obligations and an amount of \$416,667 relating to the 4,166,667 shares to be issued to Golden Valley as part of the Option.

DISCUSSION AND RESULTS OF OPERATIONS

This table presents selected information for the years ended December 31, 2018 and 2017:

	For the year ended December 31,	
	2018	2017
Operating expenses	\$ 603,930	\$ 273,097
Other expenses	2,962	404
Net loss and comprehensive loss	\$ 606,892	\$ 273,501
Basic and diluted loss per common share	\$ 0.018	\$ 0.015

The net loss for the year ended December 31, 2018 was \$606,892 (or \$0.018 loss per share) compared to \$273,501 (or \$0.015 loss per share) for the same period in 2017. The increase in net loss for 2018 relates to overall increases of \$85,226 in consultant fees, of \$44,237 in office expenses, of \$53,108 in salaries and other employee benefits, and of \$207,816 in shared-based payments, compared to the same period in 2017.

The overall increases in operating expenses are a result of changes in the operations of the Company that came into effect on January 1, 2018. As described above, the Company entered into a Termination Agreement with Golden Valley under which the Company agreed to terminate the Management Agreement. Consequently, pursuant to the termination, administrative, management and financial services such as office space, administrative support previously provided by Golden Valley has been assumed by the Company. In addition, as a result of the operations of the Company being conducted by Golden Valley's employees under the Option with Val-d'Or Mining, certain administrative, management and financial services previously incurred by Golden Valley have either been recovered from or have been directly assumed by Val-d'Or Mining. Furthermore, the Company appointed a Chief Operating Officer and Vice-President Exploration in 2018 to support its exploration activities.

CASH FLOW REVIEW

	For the year ended December 31,	
	2018	2017
Operating activities	\$ (418,297)	\$ (165,478)
Investing activities	(546,587)	(41,104)
Financing activities	236,125	1,550,703
Increase (decrease) in cash	\$ (728,759)	\$ 1,344,121

Operating activities for the year ended December 31, 2018 resulted in cash outflows of \$418,297 compared to \$165,478 for the same period of 2017. The increase in the use of cash was from the ramp-up of operations in 2018 with the addition of senior management, employees and consultants to support the administrative and exploration activities of the Company.

Investing activities for the year ended December 31, 2018 resulted in cash outflows of \$546,587 compared to \$41,104 in 2017. These cash outflows represented exploration and evaluation expenditures of \$560,721, net of tax credits received of \$14,134.

Financing activities for the year ended December 31, 2018 resulted in cash inflows of \$236,125 compared to cash inflows of \$1,550,703 in 2017. Financing activities for year ended December 31, 2018 was related to the issuance of 2,318,180 common shares on a private placement for gross proceeds of \$255,000. Financing activities for the year ended December 31, 2017 consisted of shares issuance of 13,800,000 common shares under a public offering for gross proceeds of \$1,380,000, 5,353,461 common shares on a private placement for gross proceeds of \$382,975 and issuance of 890,000 common shares for warrants exercised at \$0.12 per share for gross proceeds of \$106,800.

SUMMARY OF QUARTERLY RESULTS

The following selected financial information is for the 8 most recently completed quarters as derived from the Company's respective financial statements and notes thereto. The following information should be read in conjunction with the referenced financial statements, the notes to those statements.

	Dec 2018	Sept 2018	Jun 2018	Mar 2018	Dec 2017	Sept 2017	Jun 2017	Mar 2017
Operating expenses	\$ 158,448	\$ 65,946	\$ 124,329	\$ 255,207	\$ 102,467	\$ 99,857	\$ 46,981	\$ 23,792
Other expenses (income)	2,967	(1,280)	572	703	94	72	120	118
Net loss and comprehensive loss	\$ 161,415	\$ 64,666	\$ 124,901	\$ 255,910	\$ 102,561	\$ 99,929	\$ 47,101	\$ 23,910
Basic and diluted net loss per common share	\$ (0.005)	\$ (0.003)	\$ (0.005)	\$ (0.012)	\$ (0.004)	\$ (0.005)	\$ (0.003)	\$ (0.002)

Quarterly information for 2018 has been restated for comparability.

The net loss for the three months ended December 31, 2018 was \$161,415 (or \$0.005 loss per share), compared to \$102,561 (or \$0.004 loss per share) for the same period in 2017. The higher net loss in 2018 was mainly from the recognition of share-based payments of \$42,297 in connection with the grant of 510,097 stock options in October 24, 2018, impairment charge of \$16,262 on exploration and evaluation assets at the Chibougamau Chapais Prospect and an overall increase in general and administrative expenses as result of the ramp-up of operations.

LIQUIDITY, CAPITAL RESOURCES AND SOURCES OF FINANCING

As of December 31, 2018, the Company had cash and cash equivalents of \$627,808 and a working capital of \$663,014. Management routinely plans future activities including forecasting cash flows. Management has reviewed their plan with the Directors and has collectively formed a judgment that the Company has adequate resources to continue as a going concern for the foreseeable future, which Management and the Directors have defined as being at least the next 12 months. However, based on the Company's current development plan and commitments, the Company will have to raise additional financing to be able to fulfill its commitments on the Abitibi Greenstone Belt prospect described in the Commitments section.

Readers are invited to refer to the Risk and Uncertainties section for more information.

INFORMATION ON OUTSTANDING SECURITIES

The following table sets out the number of common shares, warrants and options outstanding as of the date hereof:

Common shares outstanding:		40,560,144
Stock options exercisable:		3,477,597
Average exercise price of:	\$	0.10
Warrants outstanding:		14,517,751
Average exercise price of:	\$	0.12

Stock options outstanding:		
Expiry date	Exercise price	Number of stock options outstanding
November 20, 2019	\$ 0.080	43,199
May 16, 2021	\$ 0.065	424,301
February 5, 2023	\$ 0.105	2,500,000
October 24, 2023	\$ 0.110	510,097
		3,477,597

Warrants outstanding:		
Expiry date	Exercise price	Number of warrants outstanding
March 30, 2019	\$ 0.085	4,578,661
November 30, 2020	\$ 0.100	1,380,000
November 30, 2020	\$ 0.150	7,400,000
October 18, 2021	\$ 0.150	1,159,090
		14,517,751

On January 22, 2019, the Company issued 4,166,667 of its common shares valued at \$416,667 as required under the Option with Golden Valley.

SUBSEQUENT EVENTS

On January 22, 2019, the Company issued 4,166,667 of its common shares valued at \$416,667 as required under the Option with Golden Valley. In accordance with the terms of the Option between the Company and Golden Valley dated April 18, 2017, the Company has agreed to issue to Golden Valley a further 12,500,001 common shares issuable as to 33% on or before each of December 31, 2019, 2020 and 2021, should the Company fulfil its obligations under the terms of the Option to maintain in force the option granted to it, and to exercise the option.

Golden Valley's ownership interest in the Company has now increased from 24.82% as at December 31, 2018 to 32.56% as at the date of this MD&A.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements as at December 31, 2018 or as at the date of this MD&A.

CRITICAL ACCOUNTING ESTIMATES

The critical judgements and estimates are disclosed in note 5 of the audited financial statements.

RELATED PARTY TRANSACTIONS

Transactions with a shareholder

- On January 1, 2018, the Company entered into a Termination Agreement with Golden Valley under which Golden Valley agrees to terminate the Management Agreement in exchange for a settlement fee of \$60,000. This amount, including the promissory note of \$30,000, has been settled through the issuance of 857,142 common shares of the Company.
- For the year ended December 31, 2018, Golden Valley recharged some expenses to the Company for a total amount of \$122,304 (2017 - \$25,046) of which \$63,988 (2017 - \$7,017) was capitalized as exploration and evaluation assets and \$58,316 (2017 - \$18,029) was recorded in the statement of net loss.
- For the year ended December 31, 2018, the Company incurred consultant fees of \$15,000 (2017 - \$nil) from Golden Valley relating to the services of the Company's CFO.
- In 2017, the Company signed a Mining Option Agreement with Golden Valley to acquire a 100% interest in 61 grassroots properties in the Abitibi Greenstone Belt Prospect consisting of 484 mining claims. Subsequent to the 2018 year-end, the Company issued 4,166,667 of its common shares valued at \$416,667 as required under the Option with Golden Valley.
- During the year ended December 31, 2017, Golden Valley has exercised a total of 400,000 warrants at a price of \$0.12 per warrant for total proceeds of \$48,000.

Transactions with key management

Key management personnel of the Company comprise of the members of the Board of Directors, as well as the President, the Chief Operating Officer ("COO"), the Chief Financial Officer ("CFO") and the Vice-President Exploration ("VP Exploration").

- For the year ended December 31, 2018, the Company incurred fees of \$96,000 (2017 - \$nil) with the COO of which \$72,000 was capitalized as Exploration and Evaluation asset and \$24,000 was recorded under consulting fees in the statement of net loss. As at December 31, 2018, no amount is due to the COO.

- For the year ended December 31, 2018, the Company incurred fees of \$17,200 (2017 - \$30,000) with the former CFO of the Company. These fees are recorded under audit and accounting fees in the statement of net loss. As at December 31, 2018, no amount is due to the former CFO.
- For the year ended December 31, 2018, the Company incurred fees of \$51,496 with the VP Exploration of the Company. These fees are recorded under Exploration and Evaluation asset. As at December 31, 2018, the amount of \$11,641 is due to the VP Exploration and is included in due to related parties.
- For the year ended December 31, 2018, the Company granted stock options to key management personnel to purchase an aggregate 2,585,097 common shares of the Company. The Company recorded a share-based compensation of \$253,615 as part of this transaction.
- During the year ended December 31, 2017, a director of the Company has exercised a total of 75,000 warrants at a price of \$0.12 per warrant for total proceeds of \$9,000.

Transactions with related parties

- For the year ended December 31, 2018, the Company incurred fees of \$38,000 (2017 – \$nil) with an individual, the spouse of the President, as part of a consulting agreement for corporate finance and advisory services. These fees are recorded under consulting fees in the statement of net loss.
- For the year ended December 31, 2018, the Company incurred rent and occupancy fees of \$18,318 (2017 – \$nil) with a company controlled by the President of which \$13,738 are recorded under Exploration and Evaluation asset and \$4,580 are recorded under office expenses in the statement of net loss.
- For the year ended December 31, 2017, the Company was recharged a total of \$19,200 in exploration and evaluation expenses by International Venture Prospects Ltd., an entity that has common key management personnel with the Company. These exploration and evaluation expenses were incurred on the Abitibi Greenstone Belt prospect as part of the Option signed with Golden Valley which was terminated in February 2017.

For efficiency reasons, where the Company and related parties are dealing with the same suppliers one may pay for both and be reimbursed by the other. As at December 31, 2018, the Company had net payable of \$14,525 of which \$529 is due to Golden Valley, \$2,355 due to companies related by common ownership and \$11,641 due to the VP Exploration of the Company. As at December 31, 2017, the Company had a net payable of \$14,761 to Golden Valley.

COMMITMENTS

- a) The Company entered into a corporate finance and advisory services consulting agreement with a related party, the spouse of the President, expiring February 5, 2020, which will require total payments of \$84,000. The minimum payments for the next years are \$42,000 in 2019 and \$3,500 in 2020.
- b) The Company has entered into a long-term agreement for the lease of an equipment expiring on July

25, 2022, which require total lease payments of \$11,768. The minimum lease payments for the next years are \$2,769 in 2019, 2020 and 2021 and \$1,384 in 2021.

c) The Company has the following commitments in connection with the Option:

Abitibi Greenstone Belt	Exploration work	Issuance of shares
2019	750,000	4,166,667
2020	1,000,000	4,166,667
2021	1,750,000	4,166,667
	\$ 3,500,000	12,500,001

d) On March 5, 2019, the Company amended its option agreement on the Boston Bulldog Prospect to extend the deadline to incur minimum exploration and evaluation expenditures of \$50,000 to April 7, 2020.

e) The Company has also entered into a consulting agreement with the VP Exploration for a total annual payment of \$66,950. This consulting agreement contains change of control provisions. If a change of control would occur, the total amount payable in respect of severance would amount to \$200,000 if the consulting agreement is terminated by the Company and \$100,000 if the consulting agreement is terminated by the VP Exploration within six months from the date of change of control.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

The Company has adopted the accounting standards IFRS 9 “Financial Instruments” and IFRS 15 “Revenue from Contracts with Customers”, effective January 1, 2018. These adoptions were made in accordance with applicable transitional provisions and resulted in the changes in accounting policies. The changes in accounting policies including those that have not been adopted are explained in Notes 3 and 4 of the audited financial statements as at December 31, 2018.

RISKS RELATED TO FINANCIAL INSTRUMENTS

Readers are invited to refer to Note 19 of the audited financial statements for the year ended December 31, 2018, for a full description of these risks.

NON-IFRS MEASURE

The Company has referred to working capital throughout this document. Working capital is a Non-IFRS performance measure. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, the Company and certain investors use this information to evaluate the Company's performance and ability to generate cash, profits and meet financial commitments. This Non-IFRS measure is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

		As at December 31, 2018	As at December 31, 2017
ASSETS			
Current assets			
Cash and cash equivalents	\$	627,208	\$ 1,355,967
Sales taxes recoverable		44,988	14,145
Other assets		21,287	5,194
		693,483	1,375,306
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	\$	15,943	\$ 19,017
Due to related parties		14,526	90,000
		30,469	109,017
Working capital		663,014	1,266,289

RISKS AND UNCERTAINTIES

An investment in the common shares of the Company involves a high degree of risk and must be considered highly speculative due to the financial and operational risks inherent to the nature of the Company's business and the present stage of exploration and development of its mineral resource properties. These risks may affect the Company's eventual profitability and level of operating cash flow. Prospective buyers of the common shares of the Company should consider the following risk factors:

Investment of Speculative Nature

Investing in the Company, at this early stage of its development, is of a highly speculative nature.

Nature of Mineral Exploration and Mining

There is no known mineral resource on the Company's properties. Mineral exploration and development involve a high degree of risk, requires substantial expenditures and few properties that are explored are ultimately developed into producing mines.

Exploration and Development Risks

Resource exploration and development is a speculative business, involving considerable financial and technical risks, including the failure to discover mineral deposits, market fluctuations and government regulations, which are beyond the control of the Company.

Additional Financing

Future exploration and development activities will require additional equity and debt financing. Failure to obtain such additional financing could result in delay or indefinite postponement of exploration and development of the property interests of the Company.

Stress in the Global Economy and Financial Condition

The adverse effects on the capital markets generally make the raising of capital by equity or debt financing much more difficult and the Company is dependent upon the capital markets to raise financing.

Permits and Licenses

There can be no assurances that the Company will be able to obtain all necessary licenses and permits required to carry out exploration, development and mining operations for its proposed projects.

Competition

The mineral exploration and mining business is competitive in all of its phases. There is no assurance that the Company will be able to compete successfully with the competition in acquiring suitable properties or prospects for mineral exploration.

No Assurance of Title to Property

The Company's claims may be subject to prior unregistered agreements or transfers or third party and native land claims and title may be affected by undetected defects.

Dependence on Key Individuals

The Company is dependent on a relatively small number of key personnel, the loss of any one of whom could have an adverse effect on the Company.

Political Regulatory Risks

Any changes in government policy may result in changes to laws affecting the Company's ability to undertake exploration and development activities in respect of present and future properties.

Conflicts of Interest

The directors and officers of the Company are also directors and officers of other companies, some of which are in the same business as the Company. This situation may result in conflicting legal

obligations which may expose the Company to liability to others and impair its ability to achieve its business objectives.

Insurance

The Company will remain at risk and will be potentially subject to liability for hazards associated with mineral exploration which it cannot insure against or which it has elected not to insure against because of premium costs or other reasons.

Influence of Third-Party Stakeholders

Claims by third parties on the lands in which the Company holds interests, or the exploration equipment and road or other means of access which the Company intend to utilize in carrying out work programs or general exploration mandates, even if not meritorious, may create delays resulting in significant financial loss and loss of opportunity for the Company.

Fluctuation in Market Value of Shares

The market price of a publicly-traded stock is affected by many variables not directly related to the corporate performance of the entity. The future effect of these and other factors on the market price of Company's shares on the Exchange cannot be predicted.