BANYAN GOLD CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE QUARTER ENDED DECEMBER 31, 2018

Background

This discussion and analysis of financial position and results of operations is prepared as at February 19, 2019 and should be read in conjunction with the quarter end financial statements and the accompanying notes for the quarter ended December 31, 2018 for Banyan Gold Corp. (the "Company" or "Banyan"). The financial statements, including comparatives, have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following Management Discussion and Analysis ("MD&A") are quoted in Canadian dollars.

This MD&A contains "forward-looking statements" that are subject to risk factors set out in the cautionary statement below. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com and at www.banyangold.com.

Cautionary Note Regarding Forward-Looking Statements

Consequently, all of the forward-looking statements made in this MD&A are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Banyan. These forward-looking statements are made as of the date of this MD&A. Except as required by applicable securities legislation, we assume no obligation to update publicly or revise any forward-looking statements to reflect subsequent information, events, or circumstances.

Company Overview

The Company was incorporated by a Certificate of Incorporation issued pursuant to the provisions of the Alberta Corporations Act ("ABCA") on July 26, 2010 under the name Banyan Coast Capital Corp, which was subsequently changed to Banyan Gold Corp under a certificate of amendment on February 14, 2013. On November 24, 2010, the Company became a reporting issuer in the Provinces of British Columbia, Alberta, Saskatchewan and Ontario.

Banyan completed its IPO and commenced trading on January 27, 2011 on the TSX Venture Exchange and trades under the symbol BYN.

On February 15, 2013, the Company completed its Qualifying Transaction by completing a Definite Assignment and Transfer Agreement ("Definitive Agreement") with Argus Metals Corp. ("Argus") to acquire a 100% interest in Hyland Gold Property (the "Hyland Property") in the Watson Lake Mining District of the south eastern Yukon Territory, Canada.

The Corporation is engaged in the business of exploration and development of precious metals. The Corporation owns a 100% interest, subject to certain royalties, in the Hyland Gold Property ("Property") in the Yukon Territory. The Hyland Main Zone Indicated Gold Resource Estimate, prepared in accordance with NI 43-101, at a 0.3 g/t gold equivalent cut-off, contains 8.6 million tonnes grading 0.85 g/t *AuEq* for **236,000 *AuEq ounces*** with an Inferred Mineral Resource of 10.8 million tonnes grading 0.83 g/t *AuEq* for **288,000 *AuEq ounces*.**

Cut-off Grade (*AuEq* g/t)	***In situ* Tonnes**	**Au**		**Ag**		***AuEq***	
		Grade (g/t)	**Ozs**	**Grade (g/t)**	**Ozs**	**Grade (g/t)**	**Ozs**
Indicated							
0.3	8,637,000	0.78	216,000	7.04	1,954,000	0.85	236,000
Inferred							
0.3	10,784,000	0.77	266,000	5.32	1,845,000	0.83	288,000

(1) Mineral resources which are not mineral reserves do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate.
(2) Mineral resources are reported at a cut-off grade of 0.3 g/t AuEq. AuEq grade is based on $1,350.00/oz Au, $17.00/oz Ag and assumes a 100% recovery. The AuEq calculation does not apply any adjustment factors for difference in metallurgical recoveries of gold and silver. This information can only be derived from definitive metallurgical testing which has yet to be completed.

**News Release March 22, 2018 and Technical Report filed May 2, 2018.*

Additionally, the Corporation has the right to earn a 100% interest in the Aurex project from Victoria Gold Corp. ("Victoria") and up to 100% of the McQuesten Property, from Alexco Resource Corp. ("Alexco"). The Aurex and McQuesten gold properties are contiguous, comprising 8,230 hectares and 1,000 hectares and are both highly prospective for intrusive-related gold mineralization, and include areas of historic gold production (lode and placer), in the prolific Mayo Mining District, Yukon Territory.

Selected Financial Information

The following selected financial information is derived from the audited financial statements of the Company prepared in accordance with International Financial Reporting Standards ("IFRS").

Fiscal Quarters of the Fiscal Year Ended September 30, 2019

All in $ Cdn	**First Quarter**	**Second Quarter**	**Third Quarter**	**Fourth Quarter**
Operations:				
Revenues	$ -			
Expenses	120,492			
Comprehensive Loss	(120,492)			
Loss per share – basic & fully diluted	(0.00)			
Balance Sheet:				
Working Capital	166,860			
Total Assets	5,502,945			
Total Long-term liabilities	Nil			

Fiscal Quarters of the Fiscal Year Ended September 30, 2018

All in $ Cdn	**First Quarter**	**Second Quarter**	**Third Quarter**	**Fourth Quarter**
Operations:				
Revenues	$ -	$ -	$ -	$ -
Expenses	168,787	151,953	57,390	(703)
Comprehensive Loss	(168,787)	(151,407)	(56,878)	(355)
Loss per share – basic & fully diluted	(0.00)	(0.00)	(0.00)	(0.00)
Balance Sheet:				
Working Capital	882,689	700,914	299,733	341,187
Total Assets	4,564,301	4,434,247	4,513,984	5,199,324
Total Long-term liabilities	Nil	Nil	Nil	Nil

Fiscal Quarters of the Fiscal Year Ended September 30, 2017

All in $ Cdn	**First Quarter**	**Second Quarter**	**Third Quarter**	**Fourth Quarter**
Operations:				
Revenues	$ -	$ -	$ -	$ -
Expenses	57,480	275,059	257,000	(168,479)
Comprehensive Loss	(57,480)	(275,059)	(257,002)	168,479
Loss per share – basic & fully diluted	(0.00)	(0.01)	(0.00)	(0.00)
Balance Sheet:				
Working Capital	643,532	1,868,212	2,423,654	785,915
Total Assets	2,223,187	3,475,005	4,012,916	4,530,089
Total Long-term liabilities	Nil	Nil	Nil	Nil

Results of Operations

Details of the Company’s financings can be found within the Financing Activities section within this MD&A.

Corporate Results

During the quarter, the Company continued to compile and consolidate historical and 2018 spring/summer work program data on the Aurex-Mcquesten and Hyland Gold Projects.

Director Jay Collins resigned in October.

Hyland Property

During the quarter, the Company continued to compile historical and the spring/summer 2018 results. In March of 2018, Banyan released an updated Hyland Main Zone Resource (News Release, March 22, 2018), with increased indicated and inferred gold ounces, increasing the quality and confidence in the Main Zone resource as a deposit amenable to open pit, heap leach mining methods.

The Hyland Main Zone Indicated Gold Resource Estimate, prepared in accordance with NI 43-101, at a 0.3 g/t gold equivalent cut-off, contains 8.6 million tonnes grading 0.85 g/t AuEq for 236,000 AuEq ounces with an Inferred Mineral Resource of 10.8 million tonnes grading 0.83 g/t AuEq for 288,000 AuEq ounces.

Cut-off Grade (*AuEq* g/t)	***In situ* Tonnes**	**Au**		**Ag**		***AuEq***	
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**News Release March 22, 2018 and Technical Report filed May 2, 2018.*

The Hyland Gold Property information reported above has been reviewed and approved by Paul D. Gray, B.Sc., P.Geo., Vice President Exploration for Banyan Gold, the Qualified Person as defined by NI 43-101.

Aurex & McQuesten Properties

In the McQuesten Zone, Banyan developed a geological model, a 900m block of calcareous clastic sediments approximately 90m thick dipping about 30 degrees to the south that is interpreted to host gold mineralization within stratabound retrograde skarn-altered horizons. With 2018's approximately 1,414m of diamond drilling, a volume of about 12 million cubic metres (500m of strike) of this interpreted mineralized block "Block 1" was tested with nominal drill-section spacing of 100m and nominal in section drill spacing of 50 metres. Broad zones of gold mineralization intersected with Banyan's 2017 and 2018 drilling campaigns have averaged 0.51 g/t Au confirmed the geologic model for the McQuesten Gold Zone contains near surface gold mineralization of this tenor over predictable widths. Banyan's interpretations and 2018 drill results confirmed potential extensions to the east, west and down-dip to the south, all of which remain open to further delineation.

McQuesten Gold Zone "Block 1" intercepts from Banyan's 2017 and 2018 drilling campaigns are summarized below:

68.3 m of 0.42 g/t Au from 22.7 m in DDH MQ-17-24

73.7 m of 0.23 g/t Au from 15.1 m in DDH MQ-17-25

96.4 m of 0.74 g/t Au from 5.8 m in DDH MQ-17-26

79.0 m of 0.22 g/t Au from 0.0 min DDH MQ-17-27

71.2 m of 0.45 g/t Au from 36.2 m in DDH MQ-17-28

107.7 m of 0.66 g/t Au from 33.7 m in DDH MQ-17-29

80.8 m of 1.06 g/t Au from 10.1 m in DDH MQ-18-30

62.5 m of 0.21 g/t Au from 12.2 m in DDH MQ-18-31

68.1 m of 0.30 g/t Au from 3.1 m in DDH MQ-18-32

80.3 m of 0.32 g/t Au from 25.8 m in DDH MQ-18-33

113.0 m of 0.74 g/t Au from 63.5 m in DDH MQ-18-34

75.7 m of 0.28 g/t Au from 45.0 m in DDH MQ-18-35

76.5 m of 0.49 g/t Au from 57.5 m in DDH MQ-18-36

94.9 m of 0.64 g/t Au from 8.9 m in DDH MQ-18-37

*True widths are estimated to be >90% of drilled interval lengths

In addition to the modelled calcareous unit containing gold mineralization, an additional structurally controlled target for gold, silver and base metal mineralization, stratigraphically above the McQuesten zone was identified with steeply dipping quartz veins and breccias appearing to be the host of the gold, silver and base metal mineralization. Determination of the orientation, width and location of where these mineralized structures crosscut the stratabound McQuesten gold zone will be an additional target in future drill programs.

The Aurex-McQuesten property is a large property (92.5km²), and the majority of the work by the Company to date has focused in an area of only 0.3 km² at the McQuesten Zone. Property wide soil sampling programs have identified several additional soil anomaly targets, including the 10.2 km² As/Au Aurex Hill soil anomaly.

In December 2018, the Company completed the second year earn-in commitments on the properties in both exploration expenditures and share issuance. With the 2018 exploration expenditures the Company has already completed over half of the required work for the year 3 exploration expenditures.

The properties also have a Class IV mining land use permit that is valid for an additional 9 years.

The Aurex & McQuesten Property information reported above has been reviewed and approved by Paul D. Gray, B.Sc., P.Geo., Vice President Exploration for Banyan Gold, the Qualified Person as defined by NI 43-101.

Analysis of Property Expenditures:

	Aurex	McQuesten	Hyland	Total
Balance, September 30,2017	**244,196**	**334,112**	**2,617,208**	**3,195,516**
Acquisition Costs	58,500	31,200	Nil	89,700
Exploration & Evaluation Expenses Capitalized	10,658	8,157	170,588	189,403,
Balance, December 31, 2017	**313,354**	**373,469**	**2,787,796**	**3,474,619**
Balance, September 30,2018	**352,642**	**659,558**	**3,603,898**	**4,616,098**
Acquisition Costs	37,500	20,000	Nil	57,500
Exploration & Evaluation Expenses Capitalized	26,644	60,757	7,600	95,001,
Balance, December 31, 2018	**416,786**	**740,315**	**3,611,498**	**4,768,598**

During the quarter ended December 31, 2018, the Company recorded a net loss of $(120,492) vs a loss of $(168,787) in the prior year quarter ended December 31, 2017. The current quarter loss is mostly the result of management fees ($56.5K in December 2017 vs $58K in 2017) and stock based compensation ($37.3K in December 2018 vs $48.1K in 2017) for the issuance of stock options. The overall loss has declined due to the lower stock based compensation noted above, a decline in professional fees ($10.5K in 2018 vs $35.9K in 2017) and general and admin ($16.2K 2018 vs $33.1K in 2017).

Additional Disclosure for General & Administrative Costs

Since the Corporation has no revenue from operations, the following is a breakdown of general and admin expenses and material costs incurred in the last two fiscal periods:

General & Admin & Material Costs	Quarter Ended December 31, 2018	Quarter Ended December 31, 2017
General & Admin:		
Travel	6,332	8,899
Amortization	3,628	4,016
Office Supplies	1,073	1,137
Advertising & Promotion	1,066	3,144
Transfer Agent Fees	1,057	1,835
Telephone	976	761
Rent	761	5,020
Payroll	559	958
Training	505	0
Bank Charges	240	359
Insurance	0	7,000

Liquidity and Capital Resources

The accompanying interim financial statements are presented on a going concern basis, which assumes the Company will continue to realize its assets and discharge its liabilities in the normal course of operations.

The Company does not generate cash flows from operations and has therefore relied principally on the issuance of equity securities to finance its operation activities to the extent that such instruments are issuable under terms acceptable to the Company.

If future financing is unavailable, the Company may not be able to meet its ongoing obligations, in which case the realizable values of its assets may decline materially from current estimates. The financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations.

From inception to December 31, 2018, the Company raised gross proceeds of $6,801,956 from the sale of its common shares.

As at December 31, 2018, the Company had working capital of $166,860 (2017 - $882,689) which will be sufficient to fund the Company thru till summer. The Company has no contractual obligations and the Company's Hyland Property is in good standing into 2023 and beyond while the McQuesten property spending commitment for Fiscal 2019 has already met the Aurex property spending commitment for Fiscal 2019 can be delayed by one year.

Off-Balance Sheet Arrangements

None

Proposed Transactions

None

Transactions With Related Parties

During the quarter, $56,500 (2017 - $58,000) was billed to the corporation by officers and directors of the Company. $45,000 (2017 - $ 45,000) was billed by KECM Services, a Company controlled by the CEO, $11,500 (2017 - $13,000) has been billed to management fees by 1195472 Ontario Ltd. for the CFO, $ nil (2017 - $nil) to professional fees by Paul D. Gray Geological Consulting.

Critical Judgments and Accounting Estimates

These financial statements, including comparatives have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"). The financial statements have been prepared on a historical costs basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carry amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

i) the recoverability of receivables which are included in the statements of financial position;
ii) the inputs used in accounting for stock-based compensation expense, which are included in the statement of operations;
iii) recoverability of future income tax asset;
iv) recoverability of exploration and evaluation expense asset;
v) the valuation of the rehabilitation provision; and
vi) the valuation of share-based payments transactions.

The Companies significant accounting policies are detailed in Note 3 to the Annual Financial Statements.

New Standards and Interpretations

The following new standards have been adopted by the Company:

i) IFRS 9 Financial Instruments

IFRS 9 replaces IAS 39 *Financial Instruments: Recognition and Measurement*, this standard retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets. More specifically, the standard:

- Deals with classification and measurement of financial assets;
- Establishes two primary measurement categories for financial assets: amortized cost and fair value;
- Prescribes that classification depends on entity's business model and the contractual cash flow characteristics of the financial asset;
- Eliminates the existing categories: held to maturity, available for sale, and loans and receivables.

Certain changes were also made regarding the fair value option for financial liabilities and accounting for certain derivatives linked to unquoted equity instruments.

The Company has adopted this standard on October 1, 2018 and has determined that the adoption of this standard did not have a significant impact on its financial statements.

ii) IFRS 15 Revenue from Contracts with Customers

IFRS 15 supersedes revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related interpretation. The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

The Company has adopted this standard on October 1, 2018 and has determined that the adoption of this standard did not have a significant impact on its financial statements.

The following new standard has not yet been adopted by the Company.

iii) IFRS 16 Leases

IFRS 16, Leases will replace existing guidance on accounting for leases. The accounting treatment of leases by lessee will change fundamentally.

IFRS 16 eliminates the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, there is a single, on-balance sheet accounting model that is similar to current finance lease accounting.

This standard is effective for annual periods beginning January 1, 2019. The Company will adopt this standard when it becomes effective. The Company does not currently have any leases and this change is not expected to have a material impact.

Risks and Uncertainties

The Company's financial performance is likely to be subject to the following risks:

The Issuer is a relatively new company with limited operating history and no history of business or mining operations, revenue generation or production history. The Issuer was incorporated on July 26, 2010 and has yet to generate a profit from its activities. The Issuer will be subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its growth objective. The Issuer anticipates that it may take several years to achieve positive cash flow from operations.

Exploration, Development and Operating Risks

The exploration for and development of minerals involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable. With all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Mineral exploration is speculative in nature and there can be no assurance that any minerals discovered will result in an increase in the Issuer's resource base.

The Issuer's operations will be subject to all of the hazards and risks normally encountered in the exploration, development and production of minerals. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Issuer.

Substantial Capital Requirements and Liquidity

Substantial additional funds for the establishment of the Issuer's current and planned exploration program and potential mining operations will be required. No assurances can be given that the Issuer will be able to raise the additional funding that may be required for such activities, should such funding not be fully generated from operations, mineral prices, environmental rehabilitation or restitution. Revenues, taxes, transportation costs, capital expenditures and operating expenses and geological results are all factors which will have an impact on the amount of additional capital that may be required. To meet such finding requirements, the Issuer may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Issuer or at all. If the Resulting Issuer is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion, and pursue only those development plans that can be funded through cash flows generated from its existing operations.

Fluctuating Mineral Prices

The economics of mineral exploration is affected by many factors beyond the Issuer's control including, commodity prices, the cost of operations, variations in the grade of minerals explored and fluctuations in the market price of minerals. Depending on the price of minerals, it may be determined that it is impractical to continue the mineral exploration operation.

Mineral prices are prone to fluctuations and the marketability of minerals is affected by government regulation relating to price, royalties, allowable production and the importing and exporting of minerals, the effect of which cannot be accurately predicted. There is no assurance that a profitable market will exist for the sale of any minerals found on the Property.

Regulatory Requirements

The current or future operations of the issuer require permits from various governmental authorities, and such operations are and will be governed by laws and regulations governing exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with the applicable laws, regulations and permits. There can be no assurance that all permits which the Issuer may require for the facilities and conduct of exploration and development operations will be obtainable on reasonable terms or that such laws and regulation would not have an adverse effect on any exploration and development project which the Resulting Issuer might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulation and permits governing operations and activities of mineral companies, or more stringent implementation thereof, could have a material adverse impact on the Issuer and cause increases in capital expenditures or exploration and development costs or require abandonment or delays in the development of new properties.

Financing Risks and Dilution to Shareholders

The Issuer has limited financial resources. If the Issuer's exploration programs on the Property are successful, additional funds will be required for the purposes of further exploration and development. There can be no assurance that the Issuer will be able to obtain adequate financing in the future or that such financing will be available on favourable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity which will result in dilution to the Issuer's shareholders.

Requirement for Permits and Licenses

A substantial number of additional permits and licenses may be required should the Issuer proceed beyond exploration; such licenses and permits may be difficult to obtain and may be subject to changes in regulations and in various operational circumstances. It is uncertain whether the Issuer will be able to obtain all such licenses and permits.

Competition

There is competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Issuer will compete with other mining companies, many of which have greater financial, technical and other resources than the Issuer, for, among other things, the acquisition of minerals claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel.

Reliance on Management and Dependence on Key Personnel

The success of the Issuer is currently largely dependent upon on the performance of its directors and officers and the ability to attract and retain its key personnel. The loss of the services of these persons may have a material adverse effect on the Issuer's business and prospects. The Issuer will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Issuer can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Resulting Issuer and its prospects.

No Mineral Reserves

Mineral reserves are, in the large part, estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Reserve estimates for properties that have not yet commenced production may require revision based on actual production experience. Market price fluctuations of metals, as well as increased production costs or reduced recovery rates may render mineral reserves containing relatively lower grades of mineralization uneconomic and may ultimately result in a restatement of reserves. Moreover, short-term operating factors relating to the mineral reserves, such as the need for orderly development of the ore bodies and the processing of new or different mineral grades may cause a mining operation to be unprofitable in any particular accounting period.

Environmental Risks

The Issuer's exploration and appraisal programs will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs.

Governmental Regulations and Licenses and Permits

The activities of the Issuer are subject to provincial and federal approvals, various laws governing prospecting, development, land resumptions, production taxes, labour standards and occupational health, mine safety, toxic substances and other matters. Although the Issuer believes that its activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of exploration and mining, or more stringent implementation thereof, could have a material adverse impact on the business, operations and financial performance of the Issuer. Further, the licenses and permits issued in respect of its projects may be subject to conditions which, if not satisfied, may lead to the revocation of such licenses. In the event of revocation, the value of the Issuer's investments in such projects may decline.

Local Resident Concerns

Apart from ordinary environmental issues, work on, or the development and mining of the Property could be subject to resistance from local residents that could either prevent or delay exploration and development of the Property.

Conflicts of Interest

Certain of the directors and officers of the Issuer will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers of the Issuer may become subject to conflicts of interest. The Alberta Corporations Act ("ABCA") provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the ABCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the ABCA.

Uninsurable Risks

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences. It is not always possible to obtain insurance against all such risks and the Issuer may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Issuer's results of operations and financial condition and could cause a decline in the value of the Issuer Shares. The Issuer does not intend to maintain insurance against environmental risks.

Investor Relations Activities

The Company does not have any investor relations arrangements.

Financing Activities

During the quarter ended December 31, 2018, the Company did not carry out any financing activities.

Disclosure of Outstanding Share Data

a) Authorized and Issued capital stock:

As of December 31, 2018:

Unlimited Class A voting common shares
Unlimited Class B non-voting, common shares
Unlimited Preferred Shares
All issued shares are fully paid

The Company's authorized share capital is unlimited common shares without par value. As at December 31, 2018, there are 88,937,856 issued and outstanding Class A common shares.

b) Warrants Outstanding:

As of December 31, 2018

Number	Exercise Price	Expiry Date
5,955,004	$ 0.115	September 8, 2019*
3,632,287	$ 0.085	August 24, 2018
3,021,350	$ 0.15	July 13, 2020*
2,020,302	$ 0.15	July 19, 2020*

Note*: Subject to an acceleration clause.

c) Options Outstanding:

Number	Exercise Price	Expiry Date
650,000	$ 0.05	January 31, 2019
75,000	$ 0.05	April 22, 2019
675,000	$ 0.05	August 10, 2020
250,050	$ 0.15	January 21, 2021
500,000	$ 0.065	August 4, 2021
500,000	$ 0.085	August 26, 2021
350,000	$ 0.07	October 27, 2021
800,000	$ 0.11	March 2, 2022
1,800,000	$ 0.12	September 23, 2022
700,000	$ 0.08	December 29, 2022
200,000	$ 0.075	June 18, 2023
1,150,000	$ 0.05	December 19, 2023
7,650,050		

Subsequent Event

None