BANYAN GOLD CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

Background

This discussion and analysis of financial position and results of operations is prepared as at January 28, 2019 and should be read in conjunction with the yearend financial statements and the accompanying notes for the fiscal year ended September 30, 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 in the Hyland Gold Property ("Property") in the Yukon Territory. The Hyland Main Zone Inferred Gold Resource Estimate, prepared in accordance with NI 43-101 and at a 0.6g/t gold equivalent cutoff, contains 12,503,994 tonnes with 361,692 ounces gold at 0.9g/t and 2,248,948 ounces silver at 5.59g/t for a combined gold and silver 396,468 ounces gold equivalent.

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").

Audited
Fiscal Year Ended

All in $ Cdn	**2018**	**2017**	**2016**
Operations:			
Revenues	$ -	$ -	$ -
Expenses	377,427	421,062	490,829
Comprehensive Loss	(377,427)	(421,062)	(490,829)
Loss per share – basic & fully diluted	(0.01)	(0.01)	(0.02)
Balance Sheet:			
Working Capital	341,187	785,915	764,047
Total Assets	5,199,324	4,530,089	2,319,439
Total Long term liabilities	Nil	Nil	Nil

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

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 year, the Corporation held its annual General and Special Meeting of Shareholders on July 20, 2018. At the meeting the following matters were approved by a greater than 98.5% margin in all categories:

i. Setting the number of directors at five;
ii. The proposed slate of five directors;
iii. The appointment of John J. Geib, Chartered Accountant, as the Company's auditors;
iv. The renewal of the Company's Stock Option Plan; and

On October 26, 2018, Jay Collins resigned from the Board of Directors.

Exploration

2018 Work Program

In 2018 Banyan Gold continued to focus on exploring projects that meet our selection criteria:

- Geology
- Multi-million ounce potential
- Road access (Infrastructure)

Highlights for both our projects are summarized below.

Hyland Gold Project

After a 3,850m drill program, LIDAR, detailed drill hole and trench surveys in 2017, Banyan undertook to improve the understanding of Metallurgy and the Resource at the Hyland Gold Project. Metallurgy was examined with bottle rolls averaging 83.3% (News Release dated, January 8, 2018) and column leach tests from the property, from 3 dedicated holes which returned results averaging 86% Au recovery from the oxide (News Release March 13, 2018).

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***	
		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.*

The 2018 exploration program at Hyland was focused on the establishment of mineralization continuity between the current NI 43-101 resource* and the Camp Zone to the North. To this end, eight (8) trenches totaling 1,184 metres and eleven (11) diamond drill holes totaling 1,294 metres were completed to establish gold-silver mineralization continuity along the projected shallow dipping upper limb of the Main Zone over the target 1.25km of previously limited tested strike length between the Main and Camp Zones. These collective exploration initiatives combined to successfully extend gold mineralization signatures between the Main and Camp Zones and emphasized the importance of brittle deformation to tenor and extent of gold mineralization.

2018 Drill Highlights

The program resulted in the highest grade gold drillhole intersection discovered to date from the Property (14.5 g/t over 1.52 m, from an area only 50 metres from the limit of the 2017 Main Zone Resource), and the results demonstrate the Quartz Lake Corridor is consistently mineralized and validate the near surface strike extent model the program was designed to test.

Highlighted results from, HY18-076 to HY18-077, both located approximately 50 metres from the northern limit of the Hyland Main Zone Resource include:

27.5 metres of 0.45 g/t Au and 1.98 g/t Ag from surface in HY18-076

85.0 metres of 0.73 g/t Au and 5.61 g/t Ag from surface in HY18-077

- Including 1.52 metres of 14.5 g/t Au and 51.8 g/t Au from 61m

2018 Trench Highlights

Of particular note were trenches TR-18-03 and TR-18-08, which together have added over 150 metres of Hyland Main Zone tenor surface gold mineralization immediately north of the current NI 43-101 resource* at the Main Zone. Highlighted results from these two trenches include:

152 metres of 0.64 g/t Au and 4.93 g/t Ag in TR-18-03

42 metres of 0.90 g/t Au and 6.31 g/t Ag in TR-18-08

These trenches are punctuated by multiple two-metre channel samples ranging in grade from 1.0 g/t to 4.0 g/t, and it was noted from trench mapping and sampling that this higher-grade gold mineralization increases with the intensity and widths of fault breccias and gouge zones. This gold-silver mineralization association has been noted within Main Zone and furthermore exhibit a similar ~1:4 Au:Ag ratio; indicating persistent Main Zone style mineralization towards the Camp Zone.

In addition, in 2018, the company was able to mobilize a second camp into the property in preparation for future larger exploration programs and to reduce exploration costs to access areas of the property that are inefficient to explore from the current camp.

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 2017, Banyan optioned the Aurex and McQuesten properties in central Yukon, from Victoria Gold Corp. and Alexco Resource Corp., respectively. These two properties had known surface gold mineralization and located right where two highly mineralized belts converge: Alexco Resource Corp's high grade silver deposits and Victoria Gold's Eagle Deposit, the latter currently being constructed and scheduled to produce over 200,000 ounces of gold annually starting in second half of this year (News Release dated December 4, 2018).

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’s2017 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, 2016	**Nil**	**Nil**	**$ 1,349,222**	**1,349,222**
Acquisition Costs	15,000	Nil	Nil	15,000
Exploration & Evaluation Expenses Capitalized	229,196	334,112	1,267,986	1,831,294
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	49,946	294,246	986,690	1,347,719
Balance, September 30, 2018	**352,642**	**659,558**	**3,603,898**	**4,616,098**

During the fiscal year ended September 30, 2018, the Company recorded a net loss of $(377,427) vs a loss of $(421,062) in fiscal 2017. The current year loss is mostly the result of General and Admin cost (see Additional Disclosure for General & Administrative below, $236.6k in 2018 vs $162.0K in 2017), management fees ($204.5K in 2018 vs $147.5K in 2017) and professional fees ($99.8K in 2018 vs $123.9K in 2017). These expenses were partially offset by non cash entries for future income tax for renunciation ($(237,327) in 2018 vs $(297,045) in 2017) as the Company completed two flow through financings throughout the year as well as utilizing flow through funds raised in the prior fiscal year.

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 Costs	Fiscal Year End September 30, 2018	Fiscal Year End September 30, 2017
General & Admin:		
Marketing	97,941	71,791
Travel	44,404	35,842
Rent	20,898	6,960
Insurance	20,615	6,406
Amortization	16,066	1,320
Transfer Agent Fees	9,854	11,011
Office Supplies	6,781	6,565
Profession Dues	5,571	683
Shareholder Com – AGM	4,558	5,596
Telephone	3,025	2,936
Other	2,515	930
Payroll	2,340	9,788

Interest & Bank Charges	1,224	1,167
Training	812	1,050

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 September 30, 2018, the Company raised gross proceeds of $6,801,956 from the sale of its common shares.

As at September 30, 2018, the Company had working capital of $341,187 (2017 - $785,925) which will be sufficient to fund the Company thru fiscal 2019. The Company has no contractual obligations and the recent Hyland work program will maintain the Company's Hyland Property in good standing into 2025.

Off-Balance Sheet Arrangements

None

Proposed Transactions

None

Transactions With Related Parties

During the year, $204,500 (2017 - $213,730) was billed to the corporation by officers and directors of the Company. $47,500 (2017 - $51,730) has been billed to management fees by 1195472 Ontario Ltd. for the CFO, $Nil (2017 - $28,000) to professional fees by Paul D. Gray Geological Consulting, and a further $Nil (2017 – $14,000) has been capitalized against exploration projects by Paul D.Gray Geological Consulting. $157,000 (2017 - $93,750) was invoiced for management fees by KECM Services, a Company controlled by the CEO. A further $6,300 (2017 - 26,250) was billed to projects by the KECM for the CEO. As of September 30, 2018, there were balances in accounts payable of $8,800 (2017 – $24,675) related to these expenses and a total of $25,012 (2017 - $17,834) owed to related parties.

A further $67,292 (2017 - $Nil) was billed for legal work that one of the Corporation's Directors is a Partner in.

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 issued but are not yet applicable to the Company:

i) IFRS 9 Financial Instruments

As part of the project to replace 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.

This standard is effective for annual periods beginning on or after January 1, 2018. The Company will adopt this standard when it becomes effective. The Company has currently not assessed the impact of adopting this standard.

ii) IFRS 15 Revenue from Contracts with Customers

IFRS 15 will supersede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related Interpretations when it becomes effective. 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.

This standard is effective for annual periods beginning on or after January 1, 2018. The Company will adopt this standard when it becomes effective. The Company has currently not assessed the impact of adopting this standard.

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 fiscal year ended September 30, 2018, the Corporation raised a total of $1,604,000 through equity financings as detailed below. All financing activities are carried out under the approval of the Board of Directors and are formalized through Director Resolutions.

On December 22, 2017 the Corporation completed a financing of $530,000 consisting of 5,300,000 shares under a non-brokered private placement. The Private Placement consisted of flow through shares (within the meaning of the Income Tax Act (Canada)), priced at $0.10 per share. A finders fee of $18,000 was paid on the financing.

On July 13, 2018, the Company completed the First Tranche of a non-brokered private placement for $539,222 in gross proceeds by issuing a total of 6,043,059 shares. The First Tranche Private Placement consisted of 3,439,726 flow through units (within the meaning of the Income Tax Act (Canada)), priced at $0.10 per share and 2,603,333 non-flow through units priced at $0.075 per Unit. Both the flow through and non-flow through units consists of one share and 1/2 of a non-flow through share purchase warrant, each full warrant being exercisable for a period of 24 months from closing into one common share at a price of $0.15 per share subject to an acceleration clause*.

On July 19, 2018, the Company completed the Second Tranche of a non-brokered private placement for $392,086 in gross proceeds by issuing a total of 4,040,604 shares.

The Second Tranche Private Placement consisted of 3,561,644 flow through units (within the meaning of the Income Tax Act (Canada)), priced at $0.10 per share and 478,960 non-flow through units priced at $0.075 per Unit. Both the flow through and non-flow through units consists of one share and 1/2 of a non-flow through share purchase warrant, each full warrant being exercisable for a period of 24 months from closing into one common share at a price of $0.15 per share subject to an acceleration clause*.

The warrants, which form part of the units for the July financing, may have their expiry time accelerated at any time prior to the expiry of the warrants if the volume-weighted average trading price of the corporation's shares on the TSX Venture Exchange is greater than 30 cents for 20 consecutive trading days, at which time the corporation may give notice in writing to the warrant holders within 10 days of such an occurrence that the warrants shall expire on the 30th day following the giving of such notice.

Disclosure of Outstanding Share Data

a) Authorized and Issued capital stock:

As of September 30, 2018:

Unlimited number of:
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 September 30, 2018, there are 87,787,856 issued and outstanding Class A common shares.

b) Warrants Outstanding:

As of September 30, 2018

Number	Exercise Price	Expiry Date
5,955,004	$ 0.115	September 8, 2019*
3,632,287	$ 0.085	August 24, 2018
3,021,530	$ 0.15	July 13, 2020**
2,020,302	$ 0.15	July 19, 2020**
9,587,291		

Note*: Subject to an acceleration clause. The warrants will be subject to an acceleration clause whereby they may have their expiry time accelerated at any time prior to the expiry of the warrants if the volume-weighted average trading price of the corporation's shares on the TSX-V is greater than 13 cents for 20 consecutive trading days, at which time the corporation may give notice in writing to the warrant holders within 10 days of such an occurrence that the warrants shall expire on the 30th day following the giving of such notice.

** The warrants, which form part of the units for the July financing, may have their expiry time accelerated at any time prior to the expiry of the warrants if the volume-weighted average trading price of the corporation's shares on the TSX Venture Exchange is greater than 30 cents for 20 consecutive trading days, at which time the corporation may give notice in writing to the warrant holders within 10 days of such an occurrence that the warrants shall expire on the 30th day following the giving of such notice.

c) Options Outstanding:

Number	Exercise Price	Expiry Date
250,050	$ 0.15	January 21, 2021
650,000	$ 0.05	January 31, 2019
75,000	$ 0.05	April 22, 2019
675,000	$ 0.05	August 10, 2020
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
2,050,000	$ 0.12	September 23, 2022
700,000	$ 0.08	December 29, 2022
200,000	$ 0.075	June 18, 2023
6,750,050		

Subsequent Event

On December 24, 2018 the Company issued 750,000 Class A common shares to Victoria Gold Corp. at a deemed price of $0.04 per share for the second year option requirement on the Aurex Property.

On December 24, 2018 the Company issued 400,000 Class A common shares to Alexco Resource Corp. at a deemed price of $0.04 per share for the second year option requirement on the McQuesten Property.

On December 19, 2018, the Company issued 1,150,000 stock options at an exercise price of $0.05 good for 5 years. The stock options were issued to consultants, directors and officers of the company in connection with the corporation's annual compensation review process. The options were granted under and are subject to the terms and conditions of the company's stock option plan.