



**Cadillac Ventures Inc.
Management's Discussion and Analysis
Three and Six Months Ended
November 30, 2017**

CADILLAC VENTURES INC. – MANAGEMENT’S DISCUSSION AND ANALYSIS

Three and Six Months Ended November 30, 2017

Introduction

The Management’s Discussion and Analysis (“MD&A”), dated January 24, 2018 provides a review of the financial condition and results of the operations of Cadillac Ventures Inc. (“Cadillac” or the “Company”) and constitutes management’s review of the factors that affected the Company’s financial and operating performance for the three and six months ended November 30, 2017. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. The review is provided to enable the reader to assess the significant changes in the financial condition of the Company as at and for the three and six months ended November 30, 2017. This MD&A should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three and six months ended November 30, 2017 together with the notes thereto and the audited annual consolidated financial statements of the Company for the years ended May 31, 2017 and 2016, together with the notes thereto. The Company’s financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the IFRS Interpretations Committee (“IFRIC”). All amounts presented are stated in Canadian dollars, unless otherwise noted. Information contained herein is presented as of January 24, 2018 unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Cadillac’s common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity. Additional information about the Company is available on SEDAR at www.sedar.com or at the Company’s website www.cadillacventures.com.

Cautionary Note Regarding Forward-Looking Information

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as “forward-looking statements”). These statements relate to future events or the Company’s future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “continues”, “forecasts”, “projects”, “predicts”, “intends”, “anticipates” or “believes”, or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward- looking statements.

Forward-looking information	Assumptions	Risk factors
Potential of the Company's properties to contain economic deposits of base metals and other metals	Financing will be available for future exploration of the Company's properties; the actual results of the Company's exploration activities will be favourable; operating and exploration costs will not exceed the Company's expectations; the Company will be able to retain and attract skilled staff; all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company, and applicable political and economic conditions will be favourable to the Company; the price of applicable metals and applicable interest and exchange rates will be favourable to the Company; no title disputes exist with respect to the Company's properties	Metal price volatility; uncertainties involved in interpreting geological data and retaining title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; availability of financing for and actual results of the Company's exploration activities; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff
The Company's ability to meet its working capital needs at the current level for the twelve-month period ending November 30, 2018	The operating and exploration activities of the Company for the twelve-month period ending November 30, 2018, and the costs associated therewith, will be dependent on raising sufficient additional capital consistent with the Company's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions will be favourable to the Company	Adverse changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions

The Company's ability to carry out anticipated exploration on its property interests	The exploration activities of the Company for the year ending November 30, 2018 and the costs associated therewith, will be consistent with the Company's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions will be favourable to the Company	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; receipt of applicable permits
Management's outlook regarding future trends	Financing will be available for the Company's exploration and operating activities; the price of applicable metals will be favourable to the Company	Metal price volatility; changes in debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions
Asset values for second quarter of fiscal year 2018	Management's belief that no write-down is required for its exploration and evaluation assets resulting from continuing efforts to raise capital (debt or equity, or a combination of both) to implement planned work programs on the Company's projects.	If the Company does not obtain equity or debt financing on terms favorable to the Company or at all, a decline in asset values that could be deemed to be other than temporary, may result in impairment losses
Sensitivity analysis of financial instruments	The Company has no significant Interest rate risk due to low interest rates on its cash balances.	Changes in debt and equity markets; interest rate and exchange rate fluctuations
Prices and price volatility for metals	The price of metals will be favourable; debt and equity markets, interest and exchange rates and other economic factors which may impact the price of metals will be favourable	Changes in debt and equity markets and the spot prices of metals; interest rate and exchange rate fluctuations; changes in economic and political conditions

Inherent in forward-looking statements are risks, uncertainties and other factors beyond Cadillac's ability to predict or control. Please also make reference to those risk factors referenced in the "Risk and Uncertainties" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Cadillac's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Date of MD&A

This MD&A was prepared on January 24, 2018.

Description of Business

Cadillac is a development focused exploration Company and was incorporated on October 19, 1995. Cadillac has two main Canadian exploration projects located in regions that have been historically active. The Thierry property is located in north-western Ontario adjacent to the town of Pickle Lake which includes the past producing Thierry mine which was last operated by UMEX and shut down in 1982 due primarily to the decline in the price of copper. Cadillac reported in July 2016 that it had entered an option agreement with Northern Fox Resources Inc. (NFR), an arm's length private Ontario Company, whereby NFR can earn a 70% interest in the Thierry Property. The Burnt Hill property is a 51% owned tungsten tin property located outside of Fredericton, New Brunswick. During the current quarter Cadillac announced that it has amended and restated the option agreement with Noront Resources Ltd. regarding the acquisition by Cadillac of Noront's remaining 49% interest in the Burnt Hill property.

Cadillac is a reporting issuer in the provinces of British Columbia, Alberta and Ontario and trades on the TSX Venture Exchange ("TSXV") under the symbol "CDC" and on the Frankfurt Stock Exchange under the symbol "CIV1".

Overview of Second Quarter

Cadillac reported a net loss of \$ 272,680 for the quarter ended November 30, 2017 compared with a net loss of \$ 63,522 for the quarter ended November 30, 2016.

The Company had cash and \$ 416,718 as at November 30, 2017 compared with \$ 537,580 at May 31, 2017. Cadillac had working capital of \$ 94,137 at November 30, 2017 compared with a working capital of \$ 223,372 at May 31, 2017.

During the second quarter Cadillac announced that it has amended and restated the option agreement with Noront Resources Ltd. regarding the acquisition of Noront's remaining 49% interest in the Burnt Hill Tungsten project located near Boisetown, New Brunswick. Once all agreed milestones and/or date sensitive payments are made, Noront will receive an aggregate of \$1.8 million through a combination of cash and shares for their 49% interest over the course of three and a half years. Under the terms of the agreement Cadillac made an initial payment of \$50,000 in cash to Noront and issued 1,000,000 common shares of Cadillac valued at \$50,000 to Noront during the current quarter.

No significant work of a material nature was carried out on the Company's exploration and evaluation assets during the second quarter. Expenditures on exploration and evaluation assets during the quarter totaled \$ 161,716 being \$ 42,966 on the Thierry Mine Property and \$ 118,751 on the Burnt Hill property which includes the initial payment of \$50,000 in cash to Noront and the issue of 1,000,000 common shares of Cadillac valued at \$ 50,000.

During the current quarter Cadillac reported that two further claim blocks totaling 2,343.5 Ha were staked on the Thierry property covering known mineralization and prospective targets and increasing the Thierry project's property size to 7,765.5 Ha.

Cadillac also reported that it is now dual-listed, having added a listing on the Frankfurt, Germany stock exchange in addition to its TSX Venture Exchange listing.

Results of Operations

Quarter Ended November 30, 2017

Cadillac reported a net loss of \$ 272,680 for the three months ended November 30, 2017 compared with a net loss of \$ 63,522 for the three months ended November 30, 2016.

Operations	Quarter Ended 30-Nov-17	Quarter Ended 30-Nov-16
Expenses		
Management and consulting fees	47,250	46,150
Shareholder relations	30,201	25,970
Legal and audit	15,306	7,827
Office and general	47,178	47,367
Travel	16,657	3,095
Accounting and corporate services	10,449	9,254
Advertising, promotions and investor relations	1,145	0
Depreciation	2,220	2,756
	-----	-----
Net operating (loss) before the following:	(170,406)	(142,419)
Accretion expense	(2,378)	(2,377)
Finance interest expense	(31,921)	(28,777)
Interest and other income	730	546
Property option revenue	0	100,000
Loss on settlement of balance due from Renforth Resources Inc.	0	(5,000)
(Loss) gain on marketable securities	(68,705)	14,505
	-----	-----
Net (Loss) for the Quarter	\$ (272,680)	\$ (63,522)

Management and consulting fees for the quarter ended November 30, 2017 amounted to \$ 47,250 compared to \$ 46,150 for the quarter ended November 30, 2016. Shareholder relations costs which include expenses relating to the provision of shareholders information, annual general meeting costs, TSXV fees, filing services costs and transfer agents fees amounted to \$ 30,201 for the quarter ended November 30, 2017 compared to \$ 25,970 for the corresponding quarter of 2016. The costs in both quarters include the expenses of the company's annual general meeting. In addition the costs in the current quarter include costs in connection with the Company having added a listing on the Frankfurt, Germany stock exchange in addition to its TSX Venture Exchange listing which is the main reason for the increase in costs during the quarter. Legal and audit costs totalled \$ 15,306 compared to \$ 7,827 for the corresponding quarter of 2016. Legal costs for the quarter amounted to \$ 10,206 which compared with \$ 2,437 for 2016 reflecting the increased level of activity during the current quarter. Audit fees for the second quarter amounted to \$ 5,100 compared to \$ 5,390 for the second quarter of 2016. Office and general costs for the quarter totalled \$ 47,178 compared to \$ 47,367 for the corresponding quarter of 2016. Office and general consist mainly of rent, payroll, insurance, telephone, website and IT costs, bank charges, and various other administration expenses. Travel costs for the quarter totalled \$ 16,657 compared to \$ 3,095 for 2016. The increased travel costs in the current quarter was mainly in connection with costs incurred in reviewing a number of potential prospects in Europe. Accounting and corporate services totalled \$ 10,449 which compared to \$ 9,254 for the second quarter of 2016. Advertising, promotions and investor relations costs totalled \$ 1,145 compared to \$ Nil for the corresponding quarter of 2016. Depreciation of property, plant and equipment for the second quarter amounted to \$ 2,220 compared to \$ 2,756 for 2016. This resulted in net operating loss of \$ 170,406 for three months ended November 30, 2017 compared to \$ 142,419 for the corresponding period of 2016.

During the second quarter Cadillac recorded an accretion expense of \$ 2,378 in connection with its decommissioning liability compared to \$ 2,377 for 2016 as set out in Note 8 of the financial statements. Finance interest expense for the quarter which includes convertible debenture interest and accretion expense amounted to \$ 31,921 compared to \$ 28,777 for the quarter ended November 30, 2016. Finance interest expense is set out in Note 10 of the financial statements. Interest and other income for the quarter ended November 30, 2017 totalled \$ 730 compared to \$ 546 for the corresponding quarter of 2016. Property option revenue totalled \$ Nil during the current quarter compared to \$ 100,000 for the corresponding quarter of 2016. The property option revenue in 2016 was in connection with revenue received under the option agreement with Northern Fox Resources Inc. on Cadillac's Thierry mine property whereby NFR can earn a 70% interest on the Thierry property subject to various conditions as set out in Note 4 of the financial statements. During the quarter ended November 30, 2016 Cadillac incurred a loss of \$ 5,000 on the settlement of an amount due from Renforth Resources Inc. and compares to \$ Nil in the current quarter. The loss on marketable securities amounted to \$ 68,705 for the quarter compared to a gain of \$ 14,505 in the corresponding quarter of 2016 as set out in Note 4 of the financial statements. This has resulted in a net loss and comprehensive loss for the quarter ended November 30, 2017 of \$ 272,680 compared to a net loss and comprehensive loss of \$ 63,522 for the quarter ended November 30, 2016.

Six Months Ended November 30, 2017

Cadillac reported a net loss of \$ 506,425 for the six months ended November 30, 2017 compared with a net loss of \$ 90,679 for the six months ended November 30, 2016.

Operations	Six Months Ended 30-Nov-17	Six Months Ended 30-Nov-16
Expenses		
Management and consulting fees	\$ 102,500	\$ 88,800
Shareholder relations	34,405	31,621
Legal and audit	26,996	16,507
Office and general	103,944	94,872
Travel	18,164	3,748
Accounting and corporate services	21,375	21,883
Advertising, promotions and investor relations	4,395	0
Depreciation	4,439	5,513
	-----	-----
Net (loss) before the following	(316,218)	(262,944)
Accretion expense	(4,756)	(4,755)
Finance interest expense	(47,832)	(41,581)
Interest and other income	1,311	1,099
Property option revenue	0	100,000
Loss on settlement of balance due from Renforth Resources Inc.	0	(5,000)
(Loss) gain on marketable securities	(138,930)	14,716
Gain on debt settlement	0	107,786
	-----	-----
Net (Loss) for the Period	\$ (506,425)	\$ (90,679)

Management and consulting fees amounted to \$ 102,500 for the six months ended November 30, 2017 compared to \$ 88,800 for the corresponding period of 2016. The higher level of fees during the current period is due to an increase in the number of personnel providing consulting services to the Company. Shareholder relations costs which include expenses relating to the provision of shareholders information, annual general meeting costs, TSXV fees, filing services costs and transfer agents fees amounted to \$ 34,405 for the six months ended November 30, 2017 compared to \$ 31,621 for the corresponding period of 2016. Costs incurred in the current period include costs in connection with the Company having added a listing on the Frankfurt, Germany stock exchange in addition to its TSX Venture Exchange listing and is the main reason for the increase in costs which increase is partially offset by lower filing service costs during the current period. Legal and audit costs for the six months ended November 30, 2017 totalled \$ 26,996 compared to \$ 16,507 for the corresponding period of 2016. Legal costs for the first six months of 2017 amounted to \$ 16,156 which compared with \$ 5,617 for the corresponding period of 2016 which reflects the increased level of activity during the current period. Audit fees for the six months amounted to \$ 10,840 compared to \$ 10,890 for the corresponding period of 2016. Office and general costs for the six months totalled \$ 103,944 compared to \$ 94,872 for the six months ended November 30, 2016. Office and general costs consist mainly of rent, payroll, insurance, telephone, website and IT costs, bank charges, and various other administration expenses. The increase in the current period was due to a one-off increase in general office costs. Travel costs for the six months ended November 30, 2017 totalled \$ 18,164 compared to \$ 3,748 incurred during the corresponding

period of 2016. The increased level of travel costs in the current period were mainly due to costs incurred in reviewing a number of potential prospects in Europe. Accounting and corporate services totalled \$ 21,375 for the six months ended November 30, 2017 which compared to \$ 21,883 for the corresponding period of 2016. Advertising, promotions and investor relations costs totalled \$ 4,395 compared to \$ Nil for the corresponding period of 2016. Depreciation of property, plant and equipment for the period amounted to \$ 4,439 compared to \$ 5,513 for six months ended November 30, 2016. This resulted in net operating loss for the six months ended November 30, 2017 of \$ 316,218 compared to \$ 262,944 for the corresponding period of for 2016.

During the six months ended November 30, 2017 Cadillac recorded an accretion expense of \$ 4,756 in connection with its decommissioning liability compared to \$ 4,755 for the corresponding period of 2016 as set out in Note 8 of the financial statements. Finance interest expense for the six months amounted to \$ 47,832 compared to \$ 41,581 for the six months ended November 30, 2016. Finance interest expense includes both convertible debenture interest and accretion expenses as set out in Note 10 of the financial statements. The increase in the six months ended November 30, 2017 was due primarily to an increase in the accretion cost included in finance interest expenses. Interest and other income for the six months ended November 30, 2017 totalled \$ 1,311 compared to \$ 1,099 for the corresponding period of 2016. Property option revenue totalled \$ Nil during the six months which compared to \$ 100,000 for the corresponding period of 2016. The property option revenue of \$ 100,000 in 2016 was in connection with an amount received under the option agreement with Northern Fox Resources Inc. on Cadillac's Thierry mine property whereby NFR can earn a 70% interest on the Thierry property subject to various conditions as set out in Note 4 of the financial statements. During the six months ended November 30, 2016 Cadillac incurred a loss of \$ 5,000 on the settlement of an amount due from Renforth Resources Inc. as set out in Note 16(a)(iv) of the financial statements and compares to \$ Nil for the current period. The loss on marketable securities of \$ 138,930 for the six months compares to a gain of \$ 14,716 for the corresponding period of 2016. There was a gain on debt settlement of \$ 107,786 during the first six months of 2016 as set out in Note 11(b) of the financial statements compared to \$ Nil for the current period. This has resulted in a net loss and total comprehensive loss for the six months ended November 30, 2017 of \$ 506,425 compared to a net loss and total comprehensive loss of \$ 90,679 for the corresponding period of 2016.

Summary of Quarterly Results

Cadillac's financial results for the quarter ended November 30, 2017 and for the seven preceding quarters are summarized below:

Quarter Ended	Accounting Policies	Interest and other income	Net Profit (Loss)	Net Profit (Loss) per share & per share diluted
November 30, 2017	IFRS	\$ 730	\$ (272,680)	\$ (0.01)
August 31, 2017	IFRS	\$ 581	\$ (233,745)	\$ (0.00)
May 31, 2017	IFRS	\$ 541	\$ (124,269)	\$ (0.00)
February 28, 2017	IFRS	\$ 537	\$ (128,940)	\$ (0.00)
November 30, 2016	IFRS	\$ 546	\$ (163,522)	\$ (0.01)
August 31, 2016	IFRS	\$ 553	\$ (27,157)	\$ (0.00)
May 31, 2016	IFRS	\$ 599	\$ (36,642)	\$ (0.00)
February 29, 2016	IFRS	\$ 384	\$ (109,724)	\$ (0.00)

The results for the quarter ended November 30, 2017 are discussed under Review of the First Quarter Financial Results on pages 6 and 7 of the MD&A. There was a net loss for the quarter ended November 30, 2017 of \$ 272,680 which comprised of general operating expenses totalling \$ 170,406 which include management and consulting fees of \$ 47,250, shareholder relations costs of \$ 30,201, legal and audit fees of \$ 15,306, office and general expenses of \$ 47,178, travel expenses of \$ 16,657, accounting and corporate services of \$ 10,449, advertising, promotions and investor relations \$ 1,145 and depreciation of \$ 2,220. Other costs and income include accretion expense \$ 2,378, finance interest expense \$ 31,921 and loss on marketable securities \$ 68,705. Interest and other income for the quarter amounted to \$ 730.

The net loss for the quarter ended August 31, 2017 of \$ 233,745 which comprised of general operating expenses totalling \$ 145,812, accretion expense \$ 2,378, finance interest expense \$ 15,911, loss on marketable securities \$ 70,225. Interest and other income for the quarter amounted to \$ 581.

The net loss for the quarter ended May 31, 2017 of \$ 124,269 which comprised of general operating expenses totalling \$ 326,048, accretion expense \$ 2,378, finance interest expense \$ 30,279, property option revenue \$ 150,000, gain on marketable securities \$ 9,595, gain on debt settlement \$ 30,800 and recovery of accounts payable and accrued liabilities \$ 43,500. Interest and other income for the quarter amounted to \$ 541.

The net loss for the quarter ended February 28, 2017 of \$ 128,940 comprised of general operating expenses totalling \$ 191,894 , accretion expense \$ 2,378, finance interest expense \$ 13,580, and a gain on marketable securities \$ 78,375. Interest and other income for the quarter amounted to \$ 537.

The net loss for the quarter ended November 30, 2016 of \$ 163,522 comprised of general operating expenses totalling \$ 142,419, accretion expense \$ 2,377, finance interest expense \$ 28,777, loss on settlement of balance due from Renforth Resources Inc. \$ 5,000 and a gain on marketable securities \$ 14,505. Interest and other income for the quarter amounted to \$ 546.

The net loss for the quarter ended August 31, 2016 of \$ 27,157 comprised of general operating expenses totalling \$ 120,525, accretion expense \$ 2,378, finance interest expense \$ 12,804, gain on marketable securities \$ 211 and a gain on debt settlement \$ 107,786. Interest and other income for the quarter amounted to \$ 553.

The net loss for the quarter ended May 31, 2016 of \$ 36,642 comprised of general operating expenses totalling \$ 122,268, accretion expense \$ 2,378, finance interest expense \$ 16,388 and a gain on marketable securities \$ 103,793. Interest and other income for the quarter amounted to \$ 599.

The net loss for the quarter ended February 29, 2016 of \$ 109,724 comprised of general operating expenses totalling \$ 148,640, accretion expense \$ 2,378, finance interest expense \$ 22,590 and a gain on marketable securities \$ 63,500. Interest and other income for the quarter amounted to \$ 384.

Exploration and Evaluation Assets

Expenditures on exploration and evaluation assets during the three and six months ended November 30, 2017 totaled \$ 161,717 and \$ 251,095 respectively being \$ 42,966 and \$ 102,675 on the Thierry Mine Property and \$ 118,751 and 148,420 on the Burnt Hill property which includes the initial payment of \$50,000 in cash to Noront and the issue of 1,000,000 common shares of Cadillac valued at \$ 50,000 in connection with the option

agreement with Noront Resources Ltd. regarding the acquisition of Noront's remaining 49% interest in Burnt Hill.

Property option revenue during the year ended May 31, 2017 totaled \$ 700,000. The property option revenue was in connection with an option agreement executed with Northern Fox Resources Inc. (NFR) on Cadillac's Thierry mine property, whereby NFR can earn a 70% interest on the Thierry property subject to various conditions as noted below on pages 15 and 16 of the MD&A.

Burnt Hill

The 51% owned Burnt Hill tin, tungsten and molybdenite project acquired by Cadillac in 2008 is located near Fredericton, New Brunswick is one claim block covering more than 10,000 hectares. The remaining 49% interest is held by Noront Resources Inc. During the current quarter Cadillac announced that it has amended and restated the option agreement with Noront regarding the acquisition of Noront's remaining 49% interest in the Burnt Hill Tungsten project. This Project includes both a mine site with a decline in place which was previously operated in the 1980's to a pilot plant stage and several separate projects, based upon known historic showings (Tin Hill, Todd Mountain, McLean Brook and Two and a Half Mile Brook).

The completion of an exploration program carried out by Cadillac in early 2008 confirmed that the Burnt Hill project contained widespread tungsten and molybdenite mineralization in multiple zones along and across strike and down dip from historically defined mineralization. During 2009 the Company completed of the initial resource estimate and subsequently completed a NI 43-101 compliant Technical Report and Resource Estimate which was filed on SEDAR (www.sedar.com). In subsequent years Cadillac completed a number of prospecting, exploration and diamond drill programs both on the extensions of various mineralized zones previously discovered on the property in the vicinity of the historic Burnt Hill mine workings and in areas outside of known mineralization. The holes drilled outside the areas of known mineralization intersected mineralization thus expanding the area of interest on the Burnt Hill mine site and confirming that there is a larger system with similar mineralization present on the property.

In July 2013, Cadillac announced the results of their multi-year (6 year) exploration program as contained in an updated, independently produced, resource statement on the Burnt Hill Tungsten, Molybdenum and Tin project, prepared by Southampton Associates Inc. The technical report was filed on Sedar.com on August 29, 2013. Southampton estimated an indicated resource of 1,761,000 tonnes averaging 0.292% WO₃, 0.007% MoS₂ and 0.008% SnO₂ as well as an inferred resource of 1,520,000 tonnes averaging 0.263% WO₃, 0.008% MoS₂ and 0.005% SnO₂ using a cut-off grade of 0.07% WO₃ in open pit and 0.16% WO₃ in underground mining. The following table is an excerpt from the NI 43-101 resource report that summarized the resource statement for the Burnt Hill Deposit as at July 2013:

PARAMETERS		INDICATED				INFERRED			
Mining	Cut-off	TONNES	WO ₃	MoS ₂	SnO ₂	TONNES	WO ₃	MoS ₂	SnO ₂
Method	% WO ₃		(%)	(%)	(%)		(%)	(%)	(%)
Open Pit	0.07	527,000	0.303	0.005	0.005	82,000	0.147	0.003	0.003
Underground	0.16	1,234,000	0.287	0.008	0.009	1,438,000	0.27	0.008	0.005
Total		1,761,000	0.292	0.007	0.008	1,520,000	0.263	0.008	0.005

- The terms Inferred Resource and Indicated Resource are in compliance with the CIM Standards on Mineral Resources and Reserves.
- Inferred resources are uncertain in nature as there has been insufficient exploration to define these as Indicated or Measured Resources.
- Mineral Resources do not have a demonstrated economic viability and may be affected by economic, environmental, or other factors.
- All tonnages have been rounded to the nearest 1,000 tonnes.

The contained metal represented by this resource statement after converting the metal compound to contained metal equivalents for the respective metal compounds is as follows:

Mineral Resources Contained Metal		Tungsten (million pounds)	Molybdenum (thousand pounds)	Tin (thousand pounds)
Open pit	Indicated	(1) 2.79	34.82	45.76
Underground	Indicated	6.19	130.46	192.867
Total	Indicated	8.99	162.91	244.64
Open pit	Inferred	0.21	3.25	4.27
Underground	Inferred	6.79	152.03	124.86
Total	Inferred	6.99	160.7	131.98

(1)
$$\frac{(0.303\% \text{WO}_3) (79.29\% \text{ Weight Percent Tungsten}) (2,205 \text{ lbs./tonne}) (527,000 \text{ tonnes})}{1,000,000} = 2.79$$

Later in 2013 the exploration program focused on prospecting several specific areas of the property outside of the Burnt Hill mine area itself following which Cadillac reported the discovery of a second mineral occurrence, Wolf Ridge, at the Burnt Hill Project, located between 3 and 6 kilometres to the west of the existing Burnt Hill mine, with similar size and mineralization to the Burnt Hill mine deposit. Cadillac also completed a drilling program at the Burnt Hill mine site consisting of six drill holes designed to further extend mineralization at the mine site. For further information see press releases dated November 5, 2013, December 12, 2013 and January 29, 2014.

During the current quarter Cadillac announced that it has amended and restated the option agreement with Noront regarding the acquisition of Noront's remaining 49% interest in the Burnt Hill Tungsten project. Once all milestones and/or date sensitive payments are made, Noront will receive an aggregate of \$1.8 million through a combination of cash and shares for their 49% interest over the course of 3.5 years (see press release dated September 27, 2017). Under the terms of the agreement Cadillac made an initial payment of \$50,000 in cash and issued 1,000,000 common shares of Cadillac valued at \$50,000 to Noront during the current quarter.

No significant work of a material nature has, as yet, been subsequently carried out on the property. Expenditure on Burnt Hill during the three and six months ended November 30, 2017 amounted to \$ 118,751 and \$ 148,420 respectively.

Cadillac is presently pursuing solutions which will permit the recommencement of activities at Burnt Hill.

Burnt Hill Property	Three Months Ended 30-November-17	Six Months Ended 30-November-17	Cumulative Expenditure 30-November-17
Acquisition cost	\$ 100,000	\$ 100,000	\$ 2,728,055
Drilling	-	-	823,243
Geology and geophysics	-	-	733,815
Equipment Rental	-	-	254,920
Management fees	-	83	203,837
Claims management	-	-	149,300
Lab analysis	-	-	362,785
Administrative	-	55	123,018
Meals and accommodation	-	-	155,221
Planning	-	-	26,700
Auto, transportation and fuel	-	-	80,752
Drafting	-	-	12,676
Licence agreement	-	-	12,500
Travel and related costs	-	-	41,011
Consulting	13,500	27,000	508,920
IP Surveys	-	-	22,484
Storage	-	-	9,740
Other	5,251	21,282	136,482
	-----	-----	-----
Total Burnt Hill Property	\$ 118,751	\$ 148,420	\$ 6,385,459
	=====	=====	=====

Thierry Property

In January 2010, the Company acquired Richview Resources Inc. through the amalgamation of Richview with a wholly owned subsidiary of Cadillac pursuant to a three-cornered amalgamation. Pursuant to the amalgamation Cadillac acquired the Thierry property in north-western Ontario adjacent to the Town of Pickle Lake which included the past producing Thierry mine which was last operated by UMAX and shut down in 1982 due primarily to the decline in the price of copper. Outside of the Thierry underground mine area the eastern component of the property encompasses a project referred to as K1-1 which lies three kilometers east of the Thierry mine. The Thierry property now comprised of 27 mining leases encompasses a land position of 7,015 hectares and 3 unpatented contiguous claims totalling 750 hectares.

Following the amalgamation Cadillac obtained access to the detailed geological and technical information on Thierry that became available. This data including the additional data generated by the drilling of 20 holes in 2007 and 2008 by the former operators of the property as well as the drilling used in previous NI 43-101 resource estimates was then evaluated with the objective of developing a comprehensive work program on the project. Cadillac subsequently completed a number of diamond drill programs adjacent to the underground mine in 2010 and 2011 which included a diamond drill program designed to test for shallower extension of

mineralization from the known and modeled deposit. Cadillac retained P&E Mining Consultants Inc. to update the resource estimates for Thierry which are available under the Company's profile on SEDAR at www.sedar.com.

Outside of the Thierry underground mine area the eastern component of the property encompasses a project referred to as K1-1. This area, which lies three kilometers east of the Thierry mine, was historically drill tested by UMEX which defined the mineralization in 1973 and 1981 based upon drilling at that time. UMEX had identified an estimated 75,000,000 tonne resource containing 0.38% copper and 0.11% nickel which was not NI 43-101 compliant and is historic in nature, as cited in *Technical Report and Updated Resource Estimate on the Thierry CU-NI-PGE Mine Property, Pickle Lake Area, Patricia Mining District, North-Western Ontario Canada* by P & E Mining Consultants Inc. dated July 1, 2010 and filed by Cadillac on SEDAR (see press releases dated May 5, 2011 and May 6, 2011).

Earlier in 2011 Cadillac completed two drilling programs consisting of sixteen drill holes on the shallow K1-1 deposit designed to confirm the historic data calculation and facilitate an NI 43-101 compliant resource calculation at K1-1. Later in 2011 Cadillac completed a further exploration program on the K1-1 deposit utilizing two diamond drills rigs and completing a total of twenty six drill holes. The purpose of this drill program was to upgrade and expand the mineralization and models at K1-1 by infill drilling within the area of the pits and adjacent to the modeled pits, as well as targeting areas under the pits and along strike in the exploration program. Cadillac reported that the assay results of samples from the twenty six holes drilled (see press releases dated January 18, 2012, January 25, 2012 and February 2, 2012) enabled Cadillac to further update the initial K1-1 resource estimate. P&E Mining Consultants completed this mineral resource estimate which was based on a combination of historic drilling by previous project operators and the more recent drilling by Cadillac who reported that the updated inferred mineral resource at K1-1 had been estimated within an economically optimized Whittle pit shell consisting of 53,614,000 tonnes containing 0.38% Copper and 0.10% Nickel using an NSR cut off rate of \$ 11/tonne (see press release dated February 14, 2012). The increase in this updated inferred resource over earlier reported inferred resource estimate was due to a number of factors including the results from the twenty six holes drilled by Cadillac, an increase in the trailing average metal prices, lower projected operating costs at K1-1 which have been derived from a conceptual combination of operations at the K1-1 open pit deposit and the Thierry underground deposit and the inclusion of additional UMEX data not considered earlier. Cadillac subsequently completed a NI 43-101 compliant Technical Report and Resource Estimate which was filed on SEDAR (www.sedar.com) in March 2012. Mr. Brian H. Newton P.Geo, of Billiken Management Services Inc. is the qualified person pursuant to the requirement set out in National Instrument 43-101 has reviewed and approved the technical information above on behalf of the Company. The potential quantity and grade set out in the information above is conceptual in nature. In addition there has been insufficient exploration to define a mineral resource and that it is uncertain if further exploration will result in the target being delineated as a mineral resource.

During fiscal year 2013 Cadillac completed a further drilling program at K1-1 designed to test new areas of the K1-1 deposit in order to potentially increase the mineralized resource at K1-1 and consisted of eight drill holes with 2,200 meters being drilled. Cadillac subsequently reported that each hole had successfully encountered mineralization outside of the current Whittle Pit defined compliant resource and returned assayed grades comparable, or better than, those contained within the current Whittle Pit defined compliant resource (see press release dated September 13, 2012). Cadillac also completed a field prospecting/mapping program designed to provide field testing and sampling of correlated geophysical and coincident magnetic anomalies on the property outside of the area of the Thierry Mine and K1-1 during the year. Cadillac has evaluated the

results of the aforementioned drilling and field prospecting/mapping programs with a view to determining the next phase of the exploration program at the Thierry Mine and K1-1.

Following the successful drilling program on the nearby K1-1 deposit in late 2011 (discussed above) Cadillac revised the Thierry underground resource based upon conceptually combining the operations of the Thierry underground and the K1-1 open pit deposit which has resulted in a \$ 5/tonne decrease in the NSR cut off to \$ 41/tonne. The further revised Thierry underground resource consisted of a Measured and Indicated resource of 8,815,000 tonnes containing 1.66% Copper and 0.19% Nickel and an Inferred resource of 14,922,000 tonnes containing 1.64% Copper and 0.16% Nickel using the revised NSR cut off of \$ 41/tonne (see press release dated February 23, 2012). Cadillac subsequently completed a NI 43-101 compliant Technical Report and Resource Estimate which was filed on SEDAR (www.sedar.com) in March 2012.

In May 2012 Cadillac received a positive Preliminary Economic Assessment for the Thierry project which was independently prepared by P&E Mining Consultants Inc. This report demonstrates the technical and potential economic viability of reopening the Thierry Mine and processing material from both the underground Thierry mine deposit and the K1-1 open pit deposit on a combined basis (see press release dated May 12, 2012). This Preliminary Economic Assessment for the Thierry project was filed on SEDAR (www.sedar.com) in June 2012.

When this positive PEA was issued the copper price was more robust than the prices currently prevailing, therefore the mining approach of combining the deposits to mine a larger tonnage, while diluting the overall grade, was economically viable at that time. Management of Cadillac is today of the opinion that the Thierry Mine Project requires a more aggressive, less costly, mining approach focused upon the higher grade underground resource in the current commodity price environment, while recognizing that the long term outlook for copper is for a better price environment. Cadillac is now revisiting its initial focus at the Thierry underground deposit and is presently pursuing liquidity solutions, which will permit activity at Thierry. Going forward the focus will be on the underground deposit and Thierry will be re-assessed as a stand-alone underground project.

During fiscal year 2017 Cadillac reported that it had entered into an option agreement for its Thierry Property located in Pickle Lake, Ontario with Northern Fox Resources Inc. (NFR), an arm's length private Ontario Company, whereby NFR can earn a 70% interest in the Thierry Property. Salient points of the agreement are (i) payment of \$ 100,000 to Cadillac (received in September 2016) (ii) issue of 6,000,000 shares of NFR to Cadillac (received in January 2017 and valued at \$ 0.10 per share) (iii) issuance by NFR of a note for \$ 8,000,000 to Cadillac as a first charge against NFR's option interest in the property. The note will be retired by Cadillac proportionate to work expenditures by NFR on the property as outlined below and issuance of an additional 8,000,000 NFR shares to Cadillac. The work program will consist of a total of \$ 13,900,000 in total expenditures on the Project. The note retires at three points in the work program as follows; (a) after an expenditure of \$ 8,000,000 in defined activity to be carried out over a 36 month period from closing, 30% of the note will be retired and there will be a proportional issuance of 2,400,000 shares as the work progresses (b) upon completion of a feasibility study by the 42nd month from closing, following which an additional 40% of the note will be retired and there will occur a further issuance of 3,200,000 shares and (c) the final 30 % of the note will be retired and a 2,400,000 share issuance will occur upon acceptance of an environmental study by the Ministry . Should the provisions in (i), (ii), and (iii) along with those of (a), (b) and (c) not be met the option agreement retires null and void. No finder's fees are associated with this transaction (see press release dated July 25, 2016). Cash and shares received under the option agreement with Northern Fox Resources Inc. during year ended May 31, 2017 amounted to \$ 100,000 and \$ 600,000 respectively.

During the current quarter Cadillac reported that two further claim blocks, the East Extension and Airport blocks, totaling 2,343.5 Ha were staked on the Thierry property covering known mineralization and prospective targets and increasing the Thierry project's property size to 7,765.5 Ha. (see press release dated November 29, 2017) The staking of the East Extension block brings the eastern border of the Thierry property adjacent to the former PC Gold property and encompasses two areas of interest, the K1-1 extension and the Gateway occurrence. The K1-1 extension hosts the interpreted, via geophysics and drillholes, extension of the K1-1 mineralization and a parallel occurrence. Both the K1-1 extension and the parallel occurrence have been historically drilled with logs recording copper mineralization being encountered at both locations, no assays or core are available. This area is easily accessible along the road on the property and is a compelling follow-up target. The Gateway block, covering the Gateway Patricia gold occurrence, which has been historically drilled, outlining gold mineralization within a quartzite with disseminated sulphides, including arsenopyrite, over approximately 2 km of strike length. Logs indicate very little overburden in the area, along with outcrop noted in government geological mapping. The favourable setting of this gold mineralization gives Cadillac the opportunity to mount an efficient ground exploration program after compilation of the existing drillhole, trenching, geological and geophysical data. The Airport Block hosts at least two occurrences of highly folded banded iron formation, in conjunction with a VLF-EM conductor, which may represent either a sulphide body within the iron formation or associated with a local shear or fault structure. This area is largely unexplored and offers Cadillac the opportunity to engage in a compilation of the available data followed by an initial ground reconnaissance program.

Expenditure by Cadillac on the Thierry property during the three and six months ended November 30, 2017 amounted to \$ 42,966 and \$ 102,675 respectively.

Thierry Mine Project, Ontario	Three Months Ended 30-November-17	Six Months Ended 30-November-17	Cumulative Expenditure 30-November-17
Acquisition cost	\$ -	\$ -	\$ 7,259,868
Drilling	-	-	3,141,125
Geological	-	-	1,248,919
Meals and accommodation	-	-	552,440
Management fees	-	86	563,586
Equipment rental	-	-	465,458
Environmental studies	-	-	293,002
Auto, transportation and fuel	-	574	329,810
Lab analysis	-	-	253,569
Consulting	24,000	48,000	1,111,300
Drafting	-	-	90,555
Travel and related costs	-	5,153	122,794
Administration	3,966	4,253	39,983
Planning	-	-	41,964
Claims management	-	-	44,423
Property taxes	-	14,609	488,003
Site maintenance	-	-	85,997
Line cutting	-	-	40,179
Geophysics	-	-	47,655
Other	15,000	30,000	455,071
	-----	-----	-----
Total expenditures	\$ 42,966	\$ 102,675	\$ 16,675,701
Shares and cash received under the option agreement	-	-	(700,000)
	-----	-----	-----
Total Thierry Mine Project	\$ 42,966	\$ 102,675	\$ 15,975,701
	=====	=====	=====

Kirkland Lake/Grenfell Gold Property

The Kirkland Lake/Grenfell Gold Property was acquired by Cadillac as part of its acquisition of Richview Resources Inc. in 2010. The property is located west of the town of Kirkland Lake, Ontario, within four kilometres of the producing Macassa Mine. Richview had previously carried out limited work on the property which it did not pursue.

During 2014 Cadillac entered into an earn-in option agreement with Anconia Resources Corp. whereby Cadillac granted an option to Anconia to acquire up to a 100% interest in the Kirkland Lake/Grenfell Gold Property. Under the terms of the agreement Anconia acquired a 60% interest in the property during fiscal year 2016 having completed agreed milestones. In April 2017 Anconia exercised its option to acquire 100% ownership interest in the property. Anconia issued 5,000,000 million common shares to Cadillac valued at

\$ 150,000 to acquire the remaining 40% of the property. Cadillac will retain a 2% net smelter return royalty on the property, of which Anconia is entitled to purchase 1% at any time up to 2 years after the commencement of commercial production, for \$1,000,000.

Liquidity and Financial Position

The Company, which is involved in exploration activities, has no source of operating revenue and does not anticipate receiving revenue in the foreseeable future. The activities of the Company are financed through equity offerings and the exercise of stock options and warrants.

Cadillac reported working capital of \$ 94,137 at November 30, 2017 compared to a working capital of \$ 223,372 as at May 31, 2017. The Company had cash of \$ 416,718 at November 30, 2017 compared with \$ 537,580 as at May 31, 2017. Cadillac held short term investments of \$ 30,046 compared with \$ 30,121 at May 31, 2017. Receivables and prepaid expenses totalled \$ 83,578 compared to \$ 20,224 at May 31, 2017. Marketable securities totalled \$ 913,270 compared to \$ 1,064,665 at May 31, 2017. Cadillac had a restricted cash balance of \$ 400,000 at November 30, 2017 unchanged from May 31, 2017. The Company also held exploration and evaluation assets with a cost value of \$ 22,361,160 at November 30, 2017 compared with \$ 22,110,065 at May 31, 2017. The Company had property, plant and equipment of \$ 44,137 at November 30, 2017 compared to \$ 47,353 at May 31, 2017. These are included in total assets of \$ 24,248,909 at November 30, 2017 compared to \$ 24,210,008 at May 31, 2017.

The Company had liabilities which totaled \$ 943,566 at November 30, 2017 compared to \$ 1,055,492 at May 31, 2017. These liabilities are comprised mainly of mineral property and other ongoing operating expenditure liabilities. Convertible debentures totaled \$ 405,909 as set out in Note 10 of the November 30, 2017 consolidated financial statements and compared to \$ 373,726 at May 31, 2017. Decommissioning liability amounted to \$ 433,312 at November 30, 2017 compared to \$ 428,556 at May 31, 2017 as set out in Note 8 of the consolidated financial statements.

During fiscal year 2017 Cadillac reported that it had entered into an option agreement for its Thierry Property located in Pickle Lake, Ontario with NFR, an arm's length private Ontario Company, whereby NFR can earn a 70% interest in the Thierry Property. Salient points of the agreement are (i) payment of \$ 100,000 to Cadillac (ii) issue of 6,000,000 shares of NFR to Cadillac (valued at \$ 0.10 per share) (iii) issuance by NFR of a note for \$ 8,000,000 to Cadillac as a first charge against NFR's option interest in the property. The note will be retired by Cadillac proportionate to work expenditures by NFR on the property and issuance of an additional 8,000,000 NFR shares to Cadillac. The work program will consist of a total of \$ 13,900,000 in total expenditures on the project. Cash and shares received under the option agreement with Northern Fox Resources Inc. during year ended May 31, 2017 amounted to \$ 100,000 and \$ 600,000 respectively.

During the first six months three holders of the August 2016 private placement warrants exercised a total of 12,000,000 warrants to acquire 12,000,000 common shares of Cadillac at \$0.05 per share for total proceeds of \$ 600,000.

The Company's use of cash is expected to continue to be focused on three principal areas, namely for settlement of its liabilities, exploration as described under the mineral property activities section discussed earlier and to support ongoing operating expenses.

Cadillac presently intends to principally rely on private placement financing to fund future expenditures. The Company will continue its efforts to raise funds for future developments and operations and to meet its ongoing obligations as they arise. There is however, no assurance that the Company will be successful in its efforts, in which case, the Company may not be able to meet its obligations. The consolidated financial statements have been prepared on a going concern basis as discussed in Note 1 of the November 30, 2017 consolidated financial statements.

Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the consolidated balance sheet.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on its financial performance or financial condition, including without limitation, such considerations as liquidity, capital expenditures and capital resources that would be considered material to investors.

Major Shareholders and Transactions with Related Parties

Major shareholders

To the knowledge of the directors and senior officers of the Company, as at November 30, 2017, no person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 10% of the voting rights attached to all common shares of the Company other than as set out below:

Major Shareholders	Number of Common Shares	Percentage of outstanding Common Shares
Best Path Developments Limited	9,142,728	10.75%
Jieli Chen	10,428,626	12.26%
Renxia Qi	10,428,626	12.26%
Universal Precious Development Limited	9,705,385	11.40%

The Company's major shareholders do not have different voting rights than other holders of the Company's common shares. The Company is not aware of any arrangements the operation of which may at a subsequent date result in a change in control of the Company. To the knowledge of the Company, it is not directly or indirectly owned or controlled by another corporation, by any government or by any natural or legal person severally or jointly.

Transactions with Related Parties

During the year three and six months ended November 30, 2017 consulting fees of \$ 37,500 and \$ 75,000 respectively, and a car allowance of \$ 4,500 and \$9,000 respectively were paid/accrued to Norman Brewster

the President/CEO of the Company (three and six months ended November 30, 2016 - consulting fees \$ 36,000 and \$ 72,000 respectively and a car allowance of \$ 4,500 and \$ 9,000 respectively). In July 2016 the Company agreed to settle obligations of \$ 125,000 owed to Norman Brewster for services rendered to the Company by issuing 1,785,714 shares common shares at conversion price of \$ 0.07 per share and in May 2017 the Company further agreed to settle obligations of \$ 100,000 owed to Norman Brewster for services rendered to the Company by issuing 2,000,000 common shares at conversion price of \$ 0.05 per share. As at November 30, 2017 an amount of \$ 48,322 was owing to the President/CEO and was included in accounts payable and accrued liabilities (May 31, 2017 - \$ 83,322).

During the three and six months ended November 30, 2017, management fees of \$ 18,750 and \$ 37,500 respectively (three and six months November 30, 2015 - \$ 18,750 and \$ 37,500 respectively) were paid/accrued to L O'Shaughnessy & Associates, a registered business name, for services performed by the CFO of the Company. In July 2016 the Company agreed to settle obligations of \$ 60,000 owed to Leo O'Shaughnessy for services rendered to the Company by issuing 857,143 shares common shares at conversion price of \$ 0.07 per share and in May 2017 the Company further agreed to settle obligations of \$ 40,000 owed to Leo O'Shaughnessy for services rendered to the Company by issuing 800,000 common shares at conversion price of \$ 0.05 per share. As at November 30, 2017 an amount of \$ 71,639 was owing to the CFO and was included in accounts payable and accrued liabilities (May 31, 2017 - \$ 85,859).

Directors' fees for the three and six months ended November 30, 2017 were \$ 9,000 and \$ 14,000 respectively (three and six months ended November 30, 2016 - \$ 8,500 and \$ 13,500 respectively). As at November 30, 2017, an amount of \$ 88,000 was owing to the directors and was included in accounts payable and accrued liabilities (May 31, 2017 - \$ 74,000).

These above noted transactions are in the normal course of business and are measured at fair value and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

Proposed Transactions

There are no proposed transactions of a material nature that have been finalized by the Company. However Cadillac continues to review proposed transactions and to evaluate properties on an ongoing basis for investment or acquisition purposes.

Critical Accounting Estimates

The preparation of Cadillac's consolidated financial statements requires management to make certain estimates that affect the amounts reported in the financial statements. The accounting estimates considered significant are the valuation of the Company's exploration and evaluation assets and stock based compensation. The Company's policy of capitalizing expenditures on mineral properties does not necessarily relate to the future economic values of those properties. The valuation is dependent entirely upon the discovery of economic mineral deposits. The Company uses the Black-Scholes model to determine the fair value of stock options. The main factor affecting the estimates of stock-based compensation is the stock price volatility used. The Company uses historical price data and comparables in the estimate of future volatility. Other items requiring estimates are Accounts receivable and prepaids, Marketable securities, Accounts payable and accrued liabilities, Convertible Debentures and Decommissioning provision.

Accounting Policies Including Initial Adoption

The Company applies International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) as of January 24, 2018, the date the Board of Directors approved the statements. The accounting policies and methods of computation followed in these audited consolidated financial statements are as set out on Note 2 of the annual audited consolidated financial statements as at and for the year ended May 31, 2017. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending May 31, 2018 could result in restatement of these unaudited condensed interim consolidated financial statements.

Recent Accounting Pronouncements

IFRS 9 – Financial instruments was issued by the IASB in November 2009 and will replace IAS 39 - Financial Instruments: Recognition and Measurement. IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. This standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39.

In October 2010, the IASB added requirements for financial liabilities to IFRS 9. These requirements were largely carried forward from the existing requirements in IAS 39, however, fair value changes due to credit risk for liabilities designated at fair value through profit and loss are generally recorded in other comprehensive income. In November 2013, the IASB amended IFRS 9 to include a new general hedge accounting model. The amendment also removed the January 1, 2015 effective date. In July 2014, the IASB issued the final version IFRS 9 that supersedes the requirements of earlier versions of the standard. The new standard will replace both IAS 39, "Financial Instruments: Recognition and Measurement" and IFRIC 9, "Reassessment of Embedded Derivatives". The standard will retain the classification and measurements requirements and new hedge accounting model introduced by the previous versions while introducing a single forward-looking expected credit loss impairment model. The final version of this new standard is effective for annual periods beginning on or after January 1, 2018. The Company is in the process of reviewing the implication of the new accounting pronouncements. Management does not anticipate the impact to be significant.

(ii) IFRS 16 - Leases was issued on January 13, 2016 to require lessees to recognize assets and liabilities for most leases. For lessors, there is little change to the existing accounting in IAS 17 - Leases.

The IASB issued its standard as part of a joint project with the Financial Accounting Standards Board ("FASB"). The FASB has not yet issued its new standard, but it is also expected to require lessees to recognize most leases on their statement of financial position.

The new standard will be effective for annual periods beginning on or after 1 January 2019. Early application is permitted provided the new revenue standard, IFRS 15 - Revenue from Contracts with Customers, has been applied, or is applied at the same date as IFRS 16. The Company is in the process of reviewing the implication of the new accounting pronouncements. Management does not anticipate the impact to be significant.

Various other accounting pronouncements (such as IFRS 14, IFRS 15, and the various annual improvements)

that have no material impact to the Company are not included above. The Company has not early adopted these standards.

Financial Instruments and Related Risks

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate and equity price risk).

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations leading to a financial loss. The Company's credit risk is primarily attributable to cash, accounts receivable (includes HST), and short-term investments. Cash and short-term investments are held with a Canadian chartered bank, from which management believes the risk of loss to be minimal.

Financial instruments included in accounts receivable comprise of sales tax receivable from government authorities (includes HST) in Canada and deposits held with service providers. Accounts receivable are in good standing as of November 30, 2017. Management believes that the credit risk concentration with respect to financial instruments included in accounts receivable is minimal.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at November 30, 2017, the Company had cash and short term investments of \$ 446,764 (May 31, 2017 - \$ 567,701) to settle current liabilities of \$ 1,349,475 (May 31, 2017 - \$ 1,429,218). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. As at November 30, 2017 \$ 855,270 of accounts payable and accrued liabilities is past due. Cadillac had accounts receivable and prepaid expenses of \$ 83,578 compared to \$ 20,224 at May 31, 2017. Marketable securities totalled \$ 913,270 compared to \$ 1,064,665 at May 31, 2016. The Company raised \$ 1,800,000 by way of private placements during the year ended May 31, 2017 and \$ 600,000 through the exercise of warrants during the six months ended November 30, 2017.

The Company has had recurring losses and will require additional financing to fund its continuing exploration efforts. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms favourable to the Company. The November 30, 2017 consolidated financial statements have been prepared on a going concern basis that assumes the Company will be able to continue to realize its assets and discharge its liabilities in the normal course of business. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

During fiscal year 2017 Cadillac reported that it has entered into an option agreement for its Thierry Property located in Pickle Lake, NW Ontario. An option agreement was signed with NFR, an arm's length private Ontario Company, whereby NFR can earn a 70% interest in the Thierry Property. As consideration, NFR paid \$100,000 in cash and issued 6,000,000 shares of NFR valued at \$ 600,000 to the Company.

During the six months three holders of the August 2016 private placement warrants exercised a total of 12,000,000 warrants to acquire 12,000,000 common shares of Cadillac at \$ 0.05 per share for total proceeds of \$ 600,000.

In the event the Company is not able to obtain adequate funding, there is uncertainty as to whether the Company will be able to maintain and complete the acquisition and development of its property interests. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities that would be necessary if the Company were unable to obtain adequate financing. These adjustments could be material.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include:

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has cash and short-term investments balances and other than the convertible debentures has no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by the Company's Canadian chartered bank. Management monitors the interest rate risk on the floating financial assets on a regular basis. The Company considers the impact of interest rate risk on the floating rate financial assets as minimal given the short term nature of the assets. The Company's loan payable and convertible debentures are at fixed interest rates. Accordingly the Company has no material interest rate risk.

Equity price risk

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements, as it relates to base and precious metals, and the stock market to determine the appropriate course of action to be taken by the Company. The Company's marketable securities including investments in Renforth Resources Inc., Anconia Resources Inc. and Northern Fox Resources Inc. and are subject to fair value fluctuations arising from changes in the equity markets and currently amount to \$ 913,270 (May 31, 2017 - \$ 1,064,665).

Sensitivity analysis

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible" over a twelve month period:

(i) Cash and short-term investments include guaranteed investment certificates that are subject to floating interest rates. The Company has no interest bearing debt and receives low interest rates on its cash balances. As such the Company does not have significant interest rate risk.

(ii) The Company's marketable securities are subject to fair value fluctuations. As at November 30, 2017, if the fair value of the marketable securities had decreased/increased by 10% with all other variables held constant, comprehensive loss for the three months ended November 30, 2017 would have been approximately \$ 91,000 higher/lower. Similarly, as at November 30, 2017, reported shareholders' equity would have been

approximately \$ 91,000 lower/higher as a result of a 10% decrease/increase in the fair value of marketable securities.

Capital Management

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to be equity, which is comprised of share capital, reserves, equity component of convertible debentures and accumulated deficit which at November 30, 2017 totalled \$ 22,466,122 (May 31, 2017 - \$ 22,352,234). The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on its exploration activities. Selected information is provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the period ended November 30, 2017.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the TSX-V which requires adequate working capital or financial resources of the greater of (i) \$ 50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of November 30, 2017, the Company is compliant with Policy 2.5.

Outstanding Share Data

At January 24, 2018 the Company had 85,085,266 common shares outstanding, 30,289,615 warrants, exercisable between July 2018 and March 2019, to purchase common shares outstanding and 5,060,000 options exercisable between April 2018 and December 2021, were outstanding.

Disclosure of Internal Controls

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements, and (ii) the unaudited condensed interim consolidated financial statements fairly present in all

material respects the financial condition, financial performance and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate do not make any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Risks and Uncertainties

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. It should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risks and Uncertainties" in the Company's MD&A for the fiscal year ended May 31, 2017, available on SEDAR at www.sedar.com. There have been no significant changes to such risk factors since the date thereof.