STINA RESOURCES LTD.

Management Discussion & Analysis
for the first Quarter ended
December 31, 2017

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STINA RESOURCES LTD.

FORM 51-102F1

Management's Discussion & Analysis
for the Quarter ended December 31, 2017
(and containing information as of February 28, 2018)

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(and containing information as of February 28, 2018)

Item 1: ANNUAL MD&A

Forward-looking Information

This Management Discussion and Analysis ("MD&A") contains certain forward-looking statements and information relating to Stina Resources Ltd. (the "Company") that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of Company exploration properties. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Aside from factors identified in the annual MD&A, additional important factors, if any, are identified here.

NATURE OF BUSINESS:

Stina Resources Ltd. (the "Company") is incorporated under the laws of British Columbia and is engaged in the acquisition, exploration and development of resource properties. The Company's current primary activity is the exploration of the Bisoni McKay Vanadium Property and the Bisoni Del – Rio property in northern Nevada, in addition to the acquisition and development of vanadium related technologies.

Additionally, the Company continues to test and evaluate the Soft Wave water technology it acquired the rights to in February 2016.

1.1 DATE

The following discussion and analysis was approved by the Directors of the Company and should be read in conjunction with the audited financial statements for year ended September 30, 2017, and unaudited financial statements for the quarters ending, December 31, 2016, March 31, 2017, June 30, 2017, and the related notes thereto. All figures are in Canadian dollars unless otherwise noted.

1.2 OPERATIONS DETAIL AND FINANCIAL CONDITIONS:

During the period ending December 31, 2017, the Company continued the development of its Bisoni McKay and recently acquired Bisoni Del-Rio property. Additionally, in December the Company entered into an agreement with the Austrian liquidator to the insolvency proceedings over the assets of the Austrian based Gildemeister Energy Storage GMbH, to purchase the assets of the insolvent company on an "as is, where is" basis. Under the terms of the agreement, the company has agreed to purchase the assets for $5.21-million (U.S.) plus applicable value added tax. (See below)

1) **<u>Bisoni McKay Vanadium Property in Nevada</u>**

In 2005 the company entered into an option agreement with Vanadium International Corp. (VIC) to acquire 50% of the rights to 19 mining claims covering 392.6 acres, located in Nye County, Nevada, USA, called the Bisoni McKay Vanadium Property. In earning its interest, the Company made cash payments totaling $250,000, issued 1,250,000 shares to Vanadium, and funded $700,000 of exploration activities.

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On July 3, 2008 the Company issued an additional 800,000 common shares to VIC in a shares for debt arrangement to complete the initial 50% acquisition, then issued an additional 1,995,600 shares at a deemed price of $1 (Canadian) per share to Vanadium as payment of the $2-million (U.S.) purchase price (based on a deemed exchange rate of $1 (Canadian):$1.0022 (U.S.)) to VIC as option payment for the remaining 50% of the property. Stina now holds 100% of the rights to 37 mineral claims on the property.

October 2015 and 2016 Work

In October 2015 the Company made a site visit to the property. The fieldwork consisted of survey control on Northern Section A and review and reorganization of previous drilling samples for future bulk sampling. Additionally, samples in storage in Eureka have been organized for further bulk sampling testing that will be included in further metallurgical recovery studies.

The company also contracted the services of Edwin Bentzen, a metallurgist and an affiliate of Resource Development Inc., to assess the technical aspects of the mineral process studies conducted by Hazen and Lyntek in 2005 and 2011, respectively. Mr. Bentzen's report outlined a general direction the company should undertake in continuing the vanadium pentoxide recovery studies, of which he may be involved in directing. An initial budget of $150,000 has been allocated for metallurgy and recovery studies as the next step for property development, but a timetable has not yet been set for this.

43-101 Report and Non-Compliance

On October 29, 2015 the Company received an updated NI-43-101 report from Ed Ullmer and was subsequently available on the Company's website.

On February 9, 2016 the Company was advised by the BCSC that the report has deficiencies with regard to NI 43-101 and Form NI 43-101 F1. As a result of this non-compliant report, the Company has been placed on the BC Securities Commission Issuers in Default List.

On September 13, 2016 the Company filed an amended NI 43-101 compliant report and the Company was removed from the Default Issuer's List**.**

Impairment

In January 2013 the Company Directors elected to impair the property value by $1,962,257 effective September 30, 2012. Managements' review for indications of impairment primarily considered that the acquisition costs of this property appeared non-recoverable in light of the market conditions at that time. The acquisition costs were primarily based on 3,245,000 common shares that were issued at an average cost of $0.78 per share. At September 30, 2012, the shares would have been worth $0.18 per share. During fiscal 2012, the Company recorded an impairment charge of $1,962,257 to decrease the carrying value of the property based on market indicators.

At year end September 30, 2015 the Company recorded an impairment of the Bisoni McKay Property a further $856,599 to a net value of $897,722 as of September 30, 2015. The Company believes that this impairment leaves the property with a recoverable value at this time, considering the current resources exploration market, the current price of vanadium, but also the fact that vanadium storage units, while not fully developed at this time, may provide a future demand for vanadium in the next few years.

As at year end September 30, 2016 the Company did not record a further impairment the property, citing a slightly improving market outlook and a mild interest in the property externally, in addition to the further field work conducted in October 2015.

2017 Activity

In April and May 2017, the Company staked an additional 164 claims immediately to the north of the existing 37 Bisoni Mckay claims in an area known as the Bisoni Property, and the Bisoni-Del Rio Property. The Company has also arranged for Hazen Research in Golden, CO to continue the metallurgical studies initiated and undertaken between 2005 and 2007 in an attempt to improve recovery, particularly on carbonaceous material.

In November 2017 the Company did reclamation work on the property where previous drilling had been conducted. The Company is in the process of having a re-assessment of it's reclamation accrual reviewed by the Bureau of Land Management.

2) Bandit Blackwater Property, British Columbia

On June 5, 2012 The Company entered into an option agreement with Copper Creek Gold Corp. to earn a 60-per-cent interest in the Bandit property, located in the Blackwater gold district of central British Columbia, approximately 137 kilometres southwest of the city of Prince George, and more specifically in the Nechako plateau. The property consists of three contiguous claims, the Bandit, the Smokey, and the Burt, for a total of 8,732 hectares. Copper Creek Gold holds a 100-per-cent interest in the three property claims.

Pursuant to the option agreement, the company was required to issue a total of 400,000 common shares and expend $2-million on exploration as follows:

1. Issue and deliver to Copper Creek:
    a. 100,000 common shares of the company within five days after the approval date of the option agreement by the TSX Venture Exchange (issued);
    b. 100,000 common shares of the company on or before June 15, 2013; (Not issued)
    c. 100,000 common shares of the company on or before June 15, 2014; (Not issued)
    d. 100,000 common shares of the company on or before June 15, 2015. (Not issued)
2. Incur a total of $2-million in work cost expenditures as follows:
    a. In the amount of $100,000 on or before June 15, 2013 (incurred);
    b. In an additional amount of $650,000 on or before June 15, 2014; (unpaid)
    c. In an additional amount of $500,000 on or before June 15, 2015; (unpaid)
    d. In an additional amount of $750,000 on or before the fourth anniversary of TSX Venture Exchange approval. (unpaid)

    See Section 1.3 (6) below for recent exploration information

During fiscal 2012, the Company recorded an impairment charge of $268,786 as exploration results suggested nominal mineralization. The Company recorded an additional impairment charge of $18,998 during fiscal 2013 and carried the property at $1.

During the fiscal year ending September 30, 2017, the Company elected to impair the property for the remaining $1, and write it down to NIL.

3) <u>Soft Wave Water Technology Distribution in Canada</u>

On February 3, 2016 the Company entered into a product distribution agreement among America Greener Technologies Inc. and AGT Soft Wave Inc. for the non-exclusive Canadian distribution rights for the manufacturer's water treatment technology, Soft Wave, in exchange for a one-time payment of $25,000 (Paid during the period) and a 12-per-cent royalty of all Soft Wave technology distributed and sold within Canada.

The company has also acquired the option to purchase exclusive Canadian distribution rights to Soft Wave Technology from the manufacturer for a total sum of $250,000 upon the company reaching the following thresholds:

(a) a payment of CDN$75,000 cash payment immediately after the reaching the CDN$250,000 Gross Monthly Revenue Threshold;

(b) a payment of CDN$75,000 cash payment immediately after the reaching the CDN$500,000 Gross Monthly Revenue Threshold; and

(c) a payment of CDN$75,000 cash payment immediately after the reaching the CDN$750,000 Gross Monthly Revenue Threshold.

Upon reaching the CDN$250,000 Gross Monthly Revenue Threshold, it is expected that the Company may elect for a Change of Business on the CSE.

Soft Wave is a non-chemical water treatment system that provides a number of cost-saving, environmental and personal benefits to household consumers, businesses, city water infrastructures and large industrial operations. Soft Wave dissolves and suspends minerals in the water, thus preventing scale formation inside the pipes and the elimination of prior scaling. Soft Wave technology has been in development for over six years and has been commercially available in the United States for the past three years. During that time, Soft Wave has been installed in such locations as Dole Foods, Fresh Express and Best Western Hotels, in addition to a number of other known companies throughout North America.

Stina continues testing Soft Wave in various commercial operations, and to date has not made a decision whether the business will be viable.

Selected Financial Information:

The following table sets forth selected audited financial information of the Company for the last 3 completed financial years.

	FISCAL YEARS ENDED		
	September 30, 2017	**September 30, 2016**	**September 30, 2015**
Total Revenue	$ -	$ -	$ -
Gross Profit	$ -	$ -	$ -
Operating Expenses	$ 1,113,758	$ 475,419	$ 334,006
Net Income (Loss)	$ (1,1113,759)	$ (512,419)	$ (1,190,605)
Loss Per Share	$ (0.03)	$ (0.01)	$ (0.04)
Total Assets	$ 2 190,212	$ 959,834	$ 1,058,167

Summary of Quarterly Results

The following table sets forth selected (unaudited) quarterly financial information for each of the last eight most recently completed quarters:

	QUARTERS ENDED			
	Dec. 31, 2017	**Sept. 30, 2017**	**June 30, 2017**	**Mar. 31, 2017**
Total Revenue	$ -	$ -	$ -	$ -
Gross Profit	$ -	$ -	$ -	$ -
Oper. Expenses	$ 942,185	$ 831,488	$ 181,996	$ 52,085
Net Income (Loss)	$ (942,185)	$ (853,719)	$ (181,996)	$ (55,355)
Income (Loss) Per Share	$ (0.02)	$ (0.03)	$ (0.00)	$ (0.00)
Total Assets	$ 4,502,954	$ 2,190,212	$ 1,674,443	$ 1,203,084
Total Liabilities	$ 75,901	$ 100,372	$ 59,054	$ 296,770
	QUARTERS ENDED			
	Dec. 31, 2016	**Sept. 30, 2016**	**June 30, 2016**	**Mar. 31, 2016**
Total Revenue	$ -	$ -	$ -	$ -
Gross Profit	$ -	$ -	$ -	$ -
Oper. Expenses	$ 48,189	$ 101,319	$ 58,050	$ 61,546
Net Income (Loss)	$ (22,689)	$ (138,319)	$ (58,050)	$ (61,546)
(Loss) Per Share	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
Total Assets	$ 961,225	$ 959,834	$ 1,022,676	$ 1,000,606
Total Liabilities	$ 262,806	$ 264,226	$ 209,749	$ 129,629

Expenditure Comparison and Variances – Stina Administration Division (quarter ending December 31, 2017 and 2016)

Increases: $17,749in accounting and legal; $148,682 in consulting fees; $12,992 in office and sundry; $388,865 in regulatory fees and shareholder information; $296,124 in share based payments; $1,645 in transfer agent; $24,877 in travel and promotion.

Decreases: *none*

Expenditure Comparison and Variances – Mineral Exploration Division:

During the period from October 1, 2017 to December 31, 2017 Mineral Exploration Division expenditures totaling $39,699 were classified as exploration and evaluation assets, for a total asset of $1,132,587 as of December 31, 2017 (September 30, 2016 - $1,092,888).

(*See Note 4 of Financial Statements)*

Comparative mineral exploration and evaluation assets as follows:

	Quarter Ended December 31 2017	Year Ended September 30 2017
Bisoni McKay Vanadium Property, Nevada, USA		
Acquisition costs		
Balance, beginning of period	$ 1,092,888	$ 931,907
Exploration expenditures		
Balance, beginning of period	-	-
Geological consulting	39,249	31,827
Claim fees and staking	-	126,714
Storage	450	2,440
Balance, end of period	39,699	160,981
Total Bisoni McKay Vanadium Property	**1,132,587**	**1,092,888**
Bandit Creek Property, BC, Canada		
Acquisition costs		
Balance, beginning of period	-	1
Impairment	-	(1)
Total Bandit Creek Property	**-**	**1**
Total Exploration and Evaluation Assets	**$ 1,132,587**	**$ 1,092,888**

Bisoni McKay Budget

A budget of approximately $150,000 was set in 2016, as per the 2016 updated technical report, set to initiate metallurgy and recovery testing for the next phase on the property. The Company has already started this recovery work and has spent $49,500 at Hazen Research.

Liquidity and Solvency

The company's liquidity will depend upon its ability to raise financing for the continued development of the Bisoni McKay property, the Soft Wave Distribution business, and other business ventures entered into.

During the period ended December 31, 2017 cash resources decreased $(576,737) from the balance at September 30, 2017

As of December 31, 2017 the Company had a working capital surplus of $3,248,626 (September 30, 2017– surplus of $949,307.

Capital Resources

The Company's liquidity depends upon its ability to raise additional financing to meet exploration requirements and working capital obligations. During the period the Company closed a non-brokered financing for $3 million, and in the subsequent period has closed two tranches of a subsequent private placement for gross proceeds of $2.076 million.

1.3 EXPLORATION, NEWS RELEASES & MATERIAL CHANGE REPORTS

1) Bisoni McKay Vanadium Property in Nevada

Exploration events during Prior Periods
In September 2005 the Company contracted Kettle Drilling of Coeur d'Alene, Idaho and drilled 1,024 feet of diamond core drilling on the Bisoni McKay property. Included was a fence of three holes on the north end of the property, immediately adjacent to Vanadium International's second reverse circulation hole drilled in 2004, as well as adjacent to 1970s Hecla RC holes BMK 17, 18 and 19 respectively, each of which showed strong grades of V2O5 at various intervals. Holes were drilled at angles of 45 degrees, 57.5 degrees and 66 degrees to the northwest.

A second fence of two diamond core holes was drilled on the southern end of the property adjacent to Vanadium International's first reverse circulation hole, and also to Hecla's RC holes BMK 6, 7 and 8 respectively. All four of these RC holes showed reasonable V2O5 grade at various intervals. This was the first diamond drilling ever conducted on the property. Results of this diamond drilling showed very encouraging results from the northern fence, including grades much higher than from any other drilling on the property. The results from the southern fence of diamond drilling were less encouraging. The Company encountered technical difficulties in drilling these two holes and eventually had to abandon the second hole of this fence. The angle of the holes was reduced to 35 degrees from the planned 57.5 degrees to attempt to overcome these difficulties. As a result, the Company believes that it may have overshot the zone of mineralization encountered the year before by Vanadium International in its reverse circulation drilling.

In November 2005, the Company contracted O'Keefe Drilling of Butte, MT to drill 10 RC holes at 45 degrees angles to the northwest at step out intervals of 210 feet from the two diamond drill fences; 3 holes to the north of the northern fence, 3 to the south of the northern fence, and three holes drilled to the north of the southern diamond drill fence. One RC hole was drilled vertically in Trench ASC50. Results from the three RC holes stepping out south of the northern diamond drill fence were released on November 29, 2005, and which were very encouraging to the Company.

In April 2006 the Company contracted Hazen research of Colorado for the metallurgical and leach testing of vanadium from core and reverse circulation drilling on the Bisoni McKay property in the fall of 2005. Hazen carried out mineralogical characterization to determine the mode of occurrence of vanadium, followed by two sets of tests on samples from three zones: oxidized zone (mudstone), transition zone (mudstone to carbonaceous shale) and unoxidized zone (carbonaceous shale).
The tests comprised of:
(i) direct acid leaching with sulfuric acid, at two grinds and at two temperatures, for a total of 12 experiments; and
(ii) roasting experiments, with at least four roasting conditions for samples from each zone, followed by appropriate leaching, either alkaline or acidic, i.e., a minimum of 12 roasting/leaching experiments.

The tests were designed to define the steps and conditions needed to obtain reasonable vanadium extraction and examine the reagent consumptions in leaching and roasting, and thus develop the first stages of a process flowsheet. The Company received final test results in January 2007, and a report on recovery of oxidized vanadium pentoxide using an acid pug/ leach recovery method, including some results as high as 95%. Test results on transition and carbonaceous material showed recovery as high as 70% and 75% of vanadium pentoxide using a roast/ leach recovery method. Hazen Research also recommended further metallurgical test work to continue the refinement of these processes, as well as explore other recovery options

In May 2007, the Company contracted O'Keefe Drilling of Boise, ID to conduct reverse circulation (RC) drilling on Northern Section "A" of the Bisoni McKay property. A total of 12 RC holes were drilled according to schedule, for a total of 5,130 feet. This drilling campaign was comprised of step-out holes at 100 foot intervals directly north for 700 feet along strike length from core hole fence DDH-05-1/2/3. Additionally, drilling was conducted parallel to the immediate west by 100 feet and north by 700 feet. The result of this campaign is a section approximately 700 feet long by 100 feet wide, with 100 foot intervals, immediately to the north of core hole fence DDH-05 and inclusive of RC holes BMK-05-04, BMK-05-05 and BMK-05-06 drilled by the Company in 2005.

The detailed drilling on the north half of Area A reveals a thick section of vanadiferous carbonaceous shale capped with mineralized weathered, oxidized shale. Vanadium-bearing rock begins essentially on or within a few feet of the surface and continues down-dip below 450 feet, the current depth limit of drilling into vanadium-bearing strata. From Area A-North, the vanadium trend continues south over 6,000 feet to Area B. The character of the mineralization in Area B appears similar to that drilled in Area A, but parts of the trend appear to have been narrowed and thinned by faulting, especially between Area A and Area B. Evidence that the vanadiferous trend continues south of Area B comes from two historic borings and trenching by Hecla Mining Company. The southernmost area of the projected strike of the vanadiferous trend in Area C and beyond is still unexplored.
In the fall of 2007 the Company contracted Edward Ullmer, P. Geo, to produce an updated geological technical report based on

the report presented to Stina by JA Mine in 2005, and updated in 2006. The report also included a resource estimate on a sub-section of Northern Section "A" which extends 700 feet long by 100 feet wide, directly north of BMK DDH – 2005, and with 100 foot interval RC drilling. The Company contracted Maptek Co. of Lakewood, CO to conduct the resource estimate.

In February 2008 the Company received a further updated geological technical report from Ed Ullmer, P. Geo, and included a resources estimate, the first ever conducted on the Bisoni McKay property, and which was conducted by Maptek of Lakewood, CO. The report was amended in May 2012 and is available on the company website. A map of the Bisoni McKay drill locations can be found on the Company website.

2011 Exploration

In the spring of 2011 the Company contracted Lyntek Corp., of Lakewood, CO to conduct a Conceptual Study of the Bisoni McKay to better assess the potential economic viability of the property, the vanadium pentoxide and ferrovanadium markets, and how the property fits into the world vanadium industry. On June 30, 2011, the Company announced that further metallurgical work was required to complete the Conceptual Study.

2012/ 2013/ 2014 Exploration

No significant work was conducted on the Bisoni McKay Property in 2012, 2013 or 2014. The Company has recorded an impairment charge of $1,962,257 in 2012 to decrease the carrying value of the property, primarily considering the acquisition costs of it appeared non-recoverable under general market conditions. In addition, the Company had not conducted a significant work program in four years. However, another venture mineral exploration company is currently developing an adjacent vanadium property approximately 20 miles to the northwest, on the same geological vanadium belt. This company has announced plans for a vanadium recovery operation to be established on site over the next few years, and Stina believes these developments may further add validity and value to the Bisoni McKay property.

2015 Exploration

In October 2015 the Company made a site visit to the property. The fieldwork consisted of survey control on Northern Section A and review and reorganization of previous drilling samples for future bulk sampling. Additionally, samples in storage in Eureka have been organized for further bulk sampling testing that will be included in further metallurgical recovery studies.

The company also contracted the services of Edwin Bentzen, a metallurgist and an affiliate of Resource Development Inc., to assess the technical aspects of the mineral process studies conducted by Hazen and Lyntek in 2005 and 2011, respectively. Mr. Bentzen's report outlined a general direction the company should undertake in continuing the vanadium pentoxide recovery studies, of which he may be involved in directing.

An initial budget estimate of $150,000 has been allocated for metallurgical work at this time.

43-101 Report and Non-Compliance

On October 29, 2015 the Company received an updated NI-43-101 report from Ed Ullmer and was subsequently available on the Company's website.

On February 9, 2016 the Company was advised by the BCSC that the report has deficiencies with regard to NI 43-101 and Form NI 43-101 F1. As a result of this non-compliant report, the Company has been placed on the BC Securities Commission Issuers in Default List.

On September 13, 2016 the Company filed an amended NI 43-101 compliant report and the Company was removed from the Default Issuer's List.

2016 Impairment (none)

As at year end September 30, 2016 the Company elected not to further impair the property, citing a slightly improving market outlook and a mild interest in the property externally, in addition to the further field work conducted in 2015.

2017 Work and Staking of New Claims (no impairment)

During the year, the Company staked an additional 162 claims directly adjacent, and north of the Bisoni McKay Property, for a total of 4,115 acres, known as the Bisoni Rio Claims on the Bisoni McKay Property. This was done to extend control of the land between the company's Bisoni McKay property and the nearby Gibellini property (Prophecy Development Corp.). The company sees an advantage to securing the additional lands because of the increasing world demand for vanadium largely resulting from its non-traditional use in vanadium redox flow battery technology. The Vanadium belt of central Nevada is host to an important concentration of single-product vanadium deposits in North America. The Company's Bisoni McKay property is a high-grade, pure play vanadium project located in the Vanadium belt of central Nevada. Past exploration drilling reveals the occurrence of high-grade V2O5 (vanadium pentoxide) in the primary (carbonaceous shale) mineralized material which contains the largest vanadium resource on the property. Several drill holes completed in primary mineralization suggest the deposit is open at depth in some areas. A supergene enrichment zone of up to 35 feet in width has been identified immediately below the Redox zone. The concentration of the past exploration drilling campaigns at Bisoni McKay was within a relatively small portion of the project area and was designed to evaluate and characterize the vanadium continuity, grade distribution and spatial characteristics of the vanadiferous beds. The results confirmed the continuity of mineralization within a persistent kerogen-rich carbonaceous shale, which hosts the high-grade ore. It also revealed the presence of a zone reporting grade surges of 50 per cent to 150 per cent (as high as 1.79 per cent vanadium (V) pentoxide (V2O5)) up to 35 feet thick, immediately below the redox zone that is likely due to a supergene enrichment processes. This enrichment zone is not well understood at this time and will be the target of the next exploration drilling campaign.

Phase III of the 2016 revised Bisoni McKay Technical report calls for further metallurgical studies, and in the fall of 2017, the Company initiated further studies at Hazen Research in Golden, CO, the site of earlier recovery bench tests in 2006 and 2007. As the target end product is no longer necessarily vanadium pentoxide (V2O5) or ferrovanadium, due to the recent strong advancements in vanadium redox flow battery technology, recovery direction has changed to the output of vanadium for processing into vanadium electrolyte. Recovery tests at Hazen look more promising than previously, and in December the Company reported strong preliminary results from recovery tests at Hazen, on previous tailing cuttings from 2005 and 2007 drilling.

Testing involved roasting-leaching and pressure oxidation processes. Preliminary mineralogical testing also showed low levels of carbonate minerals, viewed as a positive as these are notorious acid-consuming minerals. Both methods were successful in destruction of the organic matter to liberate the vanadium for subsequent leaching.

The roast-leaching experiments resulted in vanadium extraction in the range of 60 per cent. More work needs to be done to determine the vanadium compounds present to better formulate the leaching reagents.

The pressure oxidation experiments produced the best results with extraction levels exceeding 90 per cent. The carbon content in the feed for the autoclave experiments was 6 per cent and the pyrite 0.6 per cent. These levels are considered advantageous in self-combustion in the autoclave process. Further experiments involving lower temperatures and coarser grind may show processes that could lead to lower operating and capital costs.

The Company is in the process of planning a drilling campaign on the original Bisoni McKay property and the Bisoni Rio extension in 2018, in addition to continuing the recovery studies.

The Company has also signed an agreement with the University of Calgary to conduct vanadium studies. The research conducted will focus on processing of vanadium from Bisoni McKay into vanadium electrolyte by evaluating impurities and other factors that will affect electrolyte for vanadium redox flow batteries. The Company has also established a relationship with Pacific Northwest National Laboratories which has done extensive research into vanadium flow batteries. The Company also has access to PNNL's patented vanadium electrolyte formulations.

In the fall of 2017, the Company did reclamation work on the property where previous drilling had been conducted. The Company is also now in the process of planning a drilling program on the Bisoni McKay and Bisoni Del-Rio properties in 2018.

2) Bandit Property

See section 1.2 (2) above

2012 Exploration

On November 23, 2012 Copper Creek received assay results from 15 percussion drill holes (1,402 meters) over part of a two-kilometer-by-five-kilometer copper, gold and molybdenum anomaly identified during mobile metal ion (MMI) sampling by Copper Creek in the summer of 2011. Although several values of anomalous copper, gold and silver were encountered, none of the holes reported values of economic importance. The Company Directors have had discussions and have decided not to proceed with the option agreement at that time.

Impairment to Property

With consideration to the impairment standards of recently adopted IFRS, the Company directors have determined there to be an impairment of the Bandit Property carrying value of $268,786. As exploration results received suggested nominal mineralization, the Company has written the property off to NIL as of September 30, 2017.

3) <u>Soft Wave Water Technology Distribution in Canada (non-mineral exploration)</u>

See section 1.2 (3) above

On February 3, 2016 the Company entered into a product distribution agreement among America Greener Technologies Inc. and AGT Soft Wave Inc. for the non-exclusive Canadian distribution rights for the manufacturer's water treatment technology, Soft Wave, in exchange for a one-time payment of $25,000 (Paid during the period) and a 12-per-cent royalty of all Soft Wave technology distributed and sold within Canada.

The company has also acquired the option to purchase exclusive Canadian distribution rights to Soft Wave Technology from the manufacturer for a total sum of $250,000. Upon reaching the CDN$250,000 Gross Monthly Revenue Threshold, it is expected that the Company may elect for a Change of Business on the CSE.

Soft Wave is a non-chemical water treatment system that provides a number of cost-saving, environmental and personal benefits to household consumers, businesses, city water infrastructures and large industrial operations. Soft Wave dissolves and suspends minerals in the water, thus preventing scale formation inside the pipes and the elimination of prior scaling.

Stina is preparing to test Soft Wave in several agricultural, industrial and residential operations, as well as developing a full marketing plan with AGT for numerous Canadian end-users, through a number of channels focused on sales, leasing and service contracts.

To date the Company has installed test units of Soft Wave at Hallmark Poultry in Vancouver (see news releases dated March 16, 2016 and July 29, 2016). Results to date are encouraging, and further information will be released when available. The Company is also preparing further test unit installations at key facilities in Vancouver with water systems.

On April 1, 2016, the Company made the initial $25,000 CAD payment to AGT as per the option agreement.
The $25,000 was charged to Research & Development as of September 30, 2017.
At this time, the Company has only continued testing with Soft Wave, and has not realized any revenues. The Company is assessing the viability of Soft Wave as a going concern.

4) <u>Pure Vanadium</u>

In July 2017, the Company announced a letter of intent to acquire Pure Vanadium, a technology company involved in vanadium electrolytes. The letter of intent provided for a share transaction and allocation or funds for continuing research activities. The letter of intent provided that any acquisition subject to due diligence and development of a definitive agreement for review by the Board.

5) <u>Gildemeister Energy Storage GmbH</u>

On November 3, 2017 the Company entered into an agreement with the Austrian liquidator to the insolvency proceedings over the assets of an Austrian based energy storage company to purchase the assets of the insolvent company. Under the terms of the agreement, the Company has agreed to purchase the assets for $5.21-million Euros plus applicable value added tax, with an initial down payment of $1 million (Euros.) to be made immediately. In addition, the Company is obligated to finance the operations of the insolvent company, estimated to be $300,000 (Euros.) per month, until the proposed closing date of March. 31, 2018.

On February 5, 2018 the Company received approval for the Gildemeister asset-purchase. The amending agreement was approved by the creditors committee and the Austrian insolvency court on Jan. 9, 2018. The 14-day appeal period expired on Jan. 30, 2018. As a result, any creditor or third party appeals have been exhausted. Pursuant to the amending agreement, the proposed closing date of the acquisition of the assets has been extended to March 31, 2018, or such earlier date the parties may agree to.
On October 31, 2017 the Company made a down payment of $1,300,000 Euros (CDN $1,962,740). The company has also put up an additional $900,000 in trust as a deposit

(see section 6 below)

RECENT NEWS RELEASES

2/26/18	Stina to acquire switch gear manufacturer Jet Power
2/26/18	Stina Resources closes $1.7M 2nd tranche of financing
2/15/18	Stina Resources appoints Gibson as director
2/9/18	Stina closes $365,999, first tranche of financing
2/5/18	Stina receives approval for Gildemeister-asset purchase

1.4 OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-Balance Sheet Arrangements

1.5 TRANSACTIONS WITH RELATED PARTIES

The Company entered into the following transactions with related parties:

The Company incurred consulting fees in the amount of $14,163 (2016 – $NIL) with a company owned by a director for consulting services.

The Company incurred consulting fees in the amount of $12,000 (2016 – $NIL) with a company owned by a director for consulting services.

At December 31, 2017, the Company owed $8,079 (September 30, 2017 - $8,079) to company owned by a former senior officer and director for fees and expenses. The Company owes $4,378 to a former director and senior officer (September 30, 2017 - $4,378). The amounts are unsecured, non-interest bearing, and have no specific terms of repayment.

Key management personnel compensation

	Period ended December 31, 2017		2016
Short-term employee benefits - consulting fees	$26,163	$	33,500
Short-term employee benefits - salaries and wages	1,803		-
	$27,966	$	33,500

-See note 10 of Financial Statements

1.6 PROPOSED TRANSACTIONS/ COMMITMENTS

On July 7, 2017, (see news release of same date and July 17, 2017) the Company announced that it had started due diligence for the acquisition of Pure Vanadium Corp. a key technology company involved in the development of vanadium-based electrolytes for grid-scale batteries. It is presently contemplated that Stina would acquire all of the outstanding share capital of Pure in consideration for the issuance of 17 million common shares of Stina to the existing shareholders of Pure and the payment of $250,000, to be used for research and development financing for the continued development and testing of Pure's technology. The transaction is only being explored at this time and has not yet been approved by the CSE or the BCSC.

Gildemeister Energy Storage GmbH

On November 3, 2017 the Company announced that it had entered into with the Austrian liquidator to the insolvency proceedings over the assets of an Austrian based energy storage company to purchase the assets of the insolvent company on an "as is, where is" basis. Under the terms of the agreement, the company has agreed to purchase the assets for $5.21-million Euros plus applicable value added tax, with an initial down payment of $1-million Euros to be made immediately. In addition, the company is obligated to finance the operations of the insolvent company, estimated to be $300,000 Euros per month, until the proposed closing date of Jan. 30, 2018,

now extended t March 31, 2018.
On February 5, 2018 the Company received approval for the Gildemeister asset-purchase. The amending agreement was approved by the creditors committee and the Austrian insolvency court on Jan. 9, 2018. The 14-day appeal period expired on Jan. 30, 2018. As a result, any creditor or third party appeals have been exhausted. Pursuant to the amending agreement, the proposed closing date of the acquisition of the assets has been extended to March 31, 2018, or such earlier date the parties may agree to.

On October 31, 2017 the Company made a down payment of $1,300,000 Euros (CDN $1,962,740). .The company has also put up an additional $900,000 in trust as a deposit

1.7 CRITICAL ACCOUNTING ESTIMATES

Use of Estimates:

The company's financial statements have been prepared in conformity with International Financial Reporting Standards and form the basis for discussion and analysis of critical accounting policies and estimates. Management is required to make estimates and assumptions that affect the report amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant financial statement areas requiring the use of management estimates relate to the determination of impairment of assets and resource property interests, and their useful lives for amortization, allocations between exploration projects, the fair value of investments and share-based compensation, asset retirement obligations and the recoverability of future income tax assets. Financial results as determined by actual events could differ from those estimates.

Risk Management:

The Company is engaged primarily in the mineral exploration field and manages related industry risk issues directly. Observed potential risks include those for environmental reclamation and fluctuations in commodity based market prices associated with resource property interests. Management is of the opinion that the Company addresses environmental risk and compliance in accordance with industry standards and specific project environmental requirements. Company management acknowledges that there is no certainty that all environmental risks and contingencies have been addressed.

Financial Risk Management:
The Company is exposed in varying degrees to a variety of financial instrument related risks.

Credit Risk:
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is in its cash accounts and accounts receivables. Cash accounts are held with a major bank in Canada. This risk is managed through the use of major banks which are high credit quality financial institutions as determined by rating agencies.

Currency Risk:
The Company's functional currency is the Canadian dollar. There is moderate foreign exchange risk to the Company as one of its resource property interest are located in the United States. Management monitors its foreign currency balances and makes adjustments based on anticipated need for currencies. The Company does not engage in any hedging activities to reduce its foreign currency risk.

Interest Rate Risk:
The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. The fair value of the Company's cash accounts is relatively unaffected by changes in short term interest rates. The income earned on certain bank accounts is subject to the movements in interest rates.

Liquidity and Funding Risk:

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The

Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available capital in order to meet its liquidity requirements.

The Company is not utilizing any other financial instruments other than cash at this time.
Funding Risk is the risk that market conditions will impact the Company's ability to raise capital through equity markets under acceptable market terms and conditions.
Under current market conditions both liquidity and funding risks have been assessed as medium to high.

Stock-based compensation:
The Company follows the guidelines of the IFRS 2 –"Share Based Payment", relating to stock-based compensation and other stock-based Payments. The Company follows a fair-value method for all stock-based compensation and similar stock based awards to directors, employees and consultants. Where the Company has issued options that vest over a period of expected service, the fair value of the options at the date of grant is estimated and charged to income over the respective vesting periods.

1.8 CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

New accounting pronouncements
Certain new accounting standards and interpretations have been adopted by the Company as of the beginning of the current fiscal period. The adoption of the following standard during the period did not have a material impact on the Company's financial statements.

IFRS 9 Financial Instruments – IFRS 9 is a partial replacement of IAS 39 "Financial Instruments: Recognition and Measurement". This new standard is effective for annual periods beginning on or after January 1, 2018.

1.9 FINANCIAL AND OTHER INSTRUMENTS

The Company's financial instruments consist of cash, short term investments, accounts receivables, amounts due to and from related parties, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency risks arising from financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation.

1.10 OTHER MD&A REQUIREMENTS

Additional information relating to the Company's operations and activities can be found by visiting the Company's website www.stinaresources.com as well as numerous news releases and 43-101 reports filed on SEDAR at www.sedar.com

A. Authorized and Issued Share Capital as at December 31, 2017:

Authorized: Unlimited common shares without par value

Issued and outstanding: 70,104,104 common shares

See Note 8 – Share Capital of the Financial Statements

B. Options, Warrants & Convertible Securities Outstanding as at December 31, 2017:

Stock options
Under the Company's Incentive Share Option Plan, the Company may grant options to employees, consultants and directors when the number of shares reserved does not exceed 10% of the issued and outstanding share capital at the date of grant. The exercise price of the options granted will be no less than the discounted market price of the Company's shares and the maximum term of the options will be 5 years

As of December 31, 2017 the following stock options were outstanding:
4,375,000 @ $0.15, expiring June 27, 2017
1,500,000 @ $0.28, expiring October 16, 2019

Escrow shares
As of December 31, 2017 no shares were held in escrow.

Share purchase warrants

As of December 31, 2017 the following share purchase warrants were outstanding:

Sept 30, 2017	Issued	(Expired)	(Exercised)	Dec 31, 2017	Terms
2,100,000	-	-	-	2,100,000	$.15 and 1 warrant to September 19, 2018 (i)
4,000,000	-	-	250,000	3,750,000	$.10 and 1 warrant to February 27, 2019 (ii)
525,000	-	-	-	525,000	$.15 and 1 warrant to July 5, 2020 (i)
325,000	-	-	-	325,000	$.15 and 1 warrant to September 11, 2020 (i)
500,000	-		-	500,000	$.15 and 1 warrant to January 22, 2020 (i)
11,000,000		-	1,350,000	9,650,000	$.10 and 1 warrant to April 26, 2019
1,000,000		-	-	1,000,000	$.155 and 1 warrant to October 29, 2019 (iii)
1,040,832		-		1,040,832	$.15 and a half warrant to January 8, 2019
	7,500,000			7,500,000	$.45 and a half-warrant to October 13, 2020
	811.200			811,200	$.20 and 1 warrant to October 13, 2020
20,490,832	**8,311,200**	**-**	**1,600,000**	**27,202,032**	

(1) The original warrants were issued on September 19, 2013, July 10, 2015, September 10, 2015, and January 21, 2016 with exercise prices between $0.25 to $0.40 and expiry dates of September 19, 2017, July 10, 2017, September 11, 2017 and January 22, 2018. The warrants have been amended to an exercise price of $0.15 and new extended terms.

(2) The original warrants were issued on February 27, 2015 with an exercise price of $0.20 and an expiry date of February 27, 2017 and have been amended as to price and extended term.

C. Subsequent Events

a) On February 5, 2018 the Company received approval for the Gildemeister asset-purchase. The amending agreement was approved by the creditors committee and the Austrian insolvency court on Jan. 9, 2018. The 14-day appeal period expired on Jan. 30, 2018. As a result, any creditor or third party appeals have been exhausted. Pursuant to the amending agreement, the proposed closing date of the acquisition of the assets has been extended to March 31, 2018, or such earlier date the parties may agree to.
To date the Company has put up an additional $900,000 CAD in trust.

b) On February 9, 2018 the Company closed the first tranche of a proposed private placement for gross proceeds of $365,999 through the issuance of 11.35 million units of the company at a price of 27 cents per unit. Each unit consists of one common share of the company and one-half of one common share purchase warrant. Each warrant entitles the holder thereof to purchase a common share at an exercise price of 45 cents for a period of three years following the closing of the offering.
An eligible person was paid a cash commission equal to 6 per cent of the proceeds raised from subscribers introduced to the company by such finder and broker warrants equal to 6 per cent of the units issued pursuant to the offering.

c) On February 15, 2018 Greg Gibson was appointed to the Board of Directors.

d) On February 26, 2018 the Company closed the second tranche of a previously proposed non-brokered private placement for gross proceeds of $1,709,839 through the issuance of 6,332,736 units of the company at a price of 27 cents per unit. Each unit consists of one common share of the company and one-half of one common share purchase warrant. Each warrant entitles the holder thereof to purchase a common share at an exercise price of 45 cents for a period of three years following the closing of the offering.
Certain eligible finders were paid cash commissions equal to 6 per cent of the proceeds raised from subscribers introduced to the company by such finders and broker warrants equal to 6 per cent of the units issued pursuant to the offering.

D. Evaluation of Disclosure Controls and Procedures

Based on our evaluation for the quarter ended December 31, 2017, and up to the date of this Management Discussion and Analysis, we have concluded that our disclosure controls and procedures are sufficiently effective to provide reasonable assurance that material information required to be disclosed in the Company's interim and annual filings and other reports filed or submitted under Canadian securities laws are recorded, processed, summarized and reported within the time periods specified by those laws and that the material information is accumulated and communicated to Management of the Company, including the President, and CEO, as appropriate to allow timely decisions regarding required disclosure.

E. Corporate Governance Disclosure

The company has submitted to its members and shareholders details in the Information Circular dated May 21, 2011 Corporate Governance Disclosure guidelines that have been presented to the Board of Directors for periodic review. Some of these guidelines are: Outlining the Company's business and implementation of appropriate systems to manage any associated risks, communications with investors and the financial community and the integrity of the Company's internal control and management information systems. The Management of the Company periodically updates directors with regulatory policy changes. Management encourages and promotes a culture of ethical business conduct. The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

STINA RESOURCES LTD.

CORPORATE DATA

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Listing

Canadian Securities Exchange (CSE)
Symbol: SQA
OTC Symbol: STNUF
Frankfurt Symbol: 01X