



MANAGEMENT'S DISCUSSION AND ANALYSIS

For The Six Months Ended March 31, 2018

JUGGERNAUT EXPLORATION LTD.
Management's Discussion and Analysis
For The Six Months Ended March 31, 2018

General

The Management's Discussion and Analysis ("MD&A"), prepared as of May 25, 2018, review and summarize the activities of Juggernaut Exploration Ltd. ("Juggernaut" or the "Company") and compare the financial results for the six months ended March 31, 2018, with those of the six months ended March 31, 2017. This information is intended to supplement the unaudited condensed interim financial statements for the six months ended March 31, 2018 and the related notes thereto, which have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All dollar amounts included in this MD&A are stated in Canadian dollars unless otherwise indicated.

The Company's common shares trade on the TSX Venture Exchange ("TSXV") under the symbol "JUGR" and its most recent filings are available on the System for Electronic Document Analysis and Retrieval ("SEDAR") and can be accessed through the Internet at www.sedar.com.

Company Overview

The Company is in the business of acquiring, exploring and evaluating mineral resource properties.

In March of 2017, the Company entered into two separate letter agreements with J2 Syndicate Holdings Ltd. (the "Syndicate") and its members (the "Optionors") providing the Company with the right to acquire up to a 100% interest in the 13,445.09 (subsequently increased to 16,399) hectare Midas property situated in the Skeena Mining Division of British Columbia and the 9,739.94 (subsequently increased to 16,399) hectare Empire property situated in the Omineca Mining Division of British Columbia.

An extensive exploration program was launched in early summer of 2017 and the preliminary geological findings were reported via a news release on October 16, 2017. Results of assay samples analyzed were received and were reported through news releases in November, 2017 to January, 2018.

Due to the encouraging results, a major exploration work plan has been prepared for spring/summer of 2018, which included a drilling program with multiple drill targets.

In April, 2018, the Company completed a non-brokered private placement in excess of \$2.7 million to fund the upcoming work. In addition to drilling for core samples, other significant activities will include, ground and airborne geophysics, detailed mapping and additional alteration studies, all for purpose to assist in understanding the extent and controls on mineralization and helping to further define the geologic models.

In May, 2018, the initiation of the 2018 exploration program with geophysics was launched on both properties in preparation for the inaugural drilling.

Qualified Person

The "Qualified Person" under the guidelines of National Instrument 43-101 of the Canadian Securities Administrators ("NI 43-101") for the Company's projects is Stefan Kruse, Ph.D., P. Geo. Dr. Kruse is a structural geologist specializing in structural controls on mineralization, from prospect to belt scale. Dr. Kruse is a registered professional geologist with the Association of Professional Engineers and Geoscientists of New Brunswick (APEGNB), the Professional Engineers and Geoscientists of Newfoundland and Labrador (PEGNL) and the Engineers and Geoscientists of British Columbia (EGBC).

Mineral Properties

Financial terms/commitments are as follows:

Midas

Date	Cash \$	Securities	Exploration Expenditures \$
Effective Date	300,000 <i>paid</i>	8,200,000 shares <i>issued</i> 8,200,000 warrants <i>issued</i>	350,000 <i>incurred</i>
May 1, 2018 *	300,000	4,100,000 shares	500,000
May 1, 2019	500,000	4,100,000 shares	1,000,000 **
May 1, 2020	500,000	N/A	1,500,000 **
May 1, 2021	500,000	N/A	2,000,000 **
May 1, 2022	500,000	N/A	3,000,000 **
May 1, 2023	500,000	N/A	5,000,000 **
May 1, 2024 ***	500,000	4,100,000 shares	Election/ Feasibility Report
May 1, 2027	500,000	N/A	Feasibility Report
Total	4,100,000	20,500,000 shares 8,200,000 warrants	

Empire

Date	Cash \$	Securities	Exploration Expenditures \$
Effective Date	300,000 <i>paid</i>	8,200,000 shares <i>issued</i> 8,200,000 warrants <i>issued</i>	450,000 <i>incurred</i>
May 1, 2018 *	300,000	4,100,000 shares	500,000
May 1, 2019	500,000	4,100,000 shares	1,000,000 **
May 1, 2020	500,000	N/A	1,500,000 **
May 1, 2021	500,000	N/A	2,000,000 **
May 1, 2022	500,000	N/A	3,000,000 **
May 1, 2023	500,000	N/A	5,000,000 **
May 1, 2024 ***	500,000	4,100,000 shares	Election/ Feasibility Report
May 1, 2027	500,000	N/A	Feasibility Report
Total	4,100,000	20,500,000 shares 8,200,000 warrants	

- * On April 30, 2018, the Optioners amended effective date to:
 1. December 31, 2018 for the incurrence of exploration expenditures;
 2. February 1, 2019 for the issuance of 4,100,000 shares of the Company; and
 3. Cash payments must be paid not later than the earlier of (a) February 1, 2019; or (b) such earlier date, if any, which is the tenth business day next following that day on which Juggernaut has received (i) aggregate gross proceeds from the sale and distribution of shares, warrants and other securities; and/or (ii) cash payments of Canadian Goods and Services Tax refunds; and/or (iii) cash payments of BC Mining Exploration Tax Credits; totalling \$3,600,000.
- ** On April 30, 2018, Optioners amended effective date for annual exploration expenditures to be incurred by December 31 instead of May 1 of each year.
- *** On April 30, 2018, Optioners amended effective date to December 15, 2024.

For each property, the Company must elect prior to May 1, 2024 (on April 30, 2018, amended by Optioners to December 15, 2024), to either have a feasibility report or terminate the option. The requirement to produce each of the feasibility reports by May 1, 2027 (on April 30, 2018, amended by Optioners to December 15, 2024), is subject to the Company obtaining in each case: (a) an extension to December 15, 2027 by paying the Optioners US\$1 for every additional equivalent ounce of gold in excess of 2 million equivalent ounces of gold established in accordance with NI 43-101 resource reports ("Resource Reports") produced prior to the feasibility report, or (b) by making, until it does produce a feasibility report, annual payments (each one year period being an "Extension Term") to the Optioners of: (i) US\$1 million in each of the first five Extension Terms; (ii) US\$2 million in each of the sixth through the tenth Extension Terms; and (iii) US\$3 million in each succeeding Extension Terms. If the Company elects to produce a feasibility report such election becomes an obligation to produce it by May 1, 2027 failing which, subject to obtaining an extension, the Company will be required to pay \$1 million to the Optioners as liquidated damages for failure to produce a feasibility report.

Pursuant to each of the Options the Company is required to pay the Optioners a resource bonus of US\$1 million and 10 million shares as and when NI 43-101 mineral reserves and mineral resources collectively meet 2 million equivalent ounces of gold on the respective properties and thereafter the Company is required to pay US\$1 per additional equivalent ounce of gold based on subsequent Resource Reports.

A 3% royalty ("Royalty") on net smelter returns ("NSR") from all production from each property acquired by Ardonblue will be payable in cash or in kind at the option of the Optioners, with a right of Ardonblue until May 1, 2021 to buy down the Royalty by 1% to 2% for the payment to the Optioners of US\$2,000,000. If the price of gold increases to US\$2,000 per ounce, the Royalty will increase to 4% if it has not previously been bought down to 2% and it will increase to 3% if it has previously been bought down. If the Royalty is at 4% Ardonblue may reduce it to 2% by the payment of US\$4,000,000 to the Optioners by the date which is the later of the 7th anniversary of the Definitive Agreement or six months after the price of gold reaches the US\$2,000 threshold. If the Royalty is at 4% Ardonblue may reduce it to 3% by the payment of US\$2,500,000 to the Optioners by the date which is the later of the 7th anniversary of the Definitive Agreement or six months after the price of gold reaches the US\$2,000 threshold.

In addition to the cash, securities and exploration expenditure commitments, the Company was also required, to pay the aggregate of \$500,000 to acquire a 20% interest in a new exploration syndicate known as DSM.

As a condition precedent to the grant of the rights to acquire 100% interest in the Midas and Empire properties, the Company also settled \$425,534 of debt with a related party by the issuance of 5,500,000 shares (see Related Party section below).

Warrants issued under the option agreements entitled each warrant held by the holder to acquire one additional share of the Company at the price of \$0.08 per share for 60 months from closing. All warrants will be subject to provisions prohibiting exercise if, as a result, the holder would own 10% or more of the Company's outstanding shares post-exercise.

Midas Property

Location and Infrastructure

The Midas property is located approximately 24 kilometres southeast of Terrace, British Columbia in Skeena Mining Division. The property boundary is 14 kilometres east of a major highway and power line and is locally road accessible. The property covers an area of rugged alpine to sub-alpine topography, with elevations up to 1,600 meters.

The original Midas property staked in 2016 covered 8,248 hectares and was subsequently expanded to 16,671 hectares in 2018.

Geology

The Midas Property is underlain by the Paleozoic age Mount Attree volcanics and Eocene age Williams Creek granodiorite (McKeown et. al., 2008). The Mount Attree volcanic rocks are part of the Paleozoic to Mesozoic Stikine assemblage of Stikinia. The volcanics assemblage consists of submarine volcanic rocks comprising basalt, andesite-rhyolite tuff, and massive andesite. These are extensively altered and gossanous. In addition, the volcanics are weakly to intensely foliated, striking north-northwest and dipping 70° to 80° east. A major sub-vertical fault striking 010° cuts the volcanic package, and is associated with mineralized shear zones and quartz veins.

The Mt. Attree volcanics within the Midas property are characterized by intense quartz-sericite-pyrite alteration and gossan covering an area at least 10 by 18 kilometres in size. Work by the British Columbia Geological Survey (McKeown et al., 2008) concluded that the alteration and mineralization observed on the Midas property is consistent with a Kuroko-style volcanogenic massive sulphide (VMS) system. VMS-related alteration and mineralization has been over-printed by later regional deformation and intrusions resulting in the emplacement of foliation-parallel veins, local skarn development and possible structurally controlled remobilization and enrichment of prior mineralization.

The Mount Attree volcanics have also been correlated with Paleozoic and Mesozoic volcanic rocks that host significant VMS deposits such as the Eskay Creek, Tulsequah Chief and Granduc deposits along strike to the north.

Structurally, the Midas property resides with the Skeena Arch. The Skeena arch, a long-lived ENE, arc-transverse paleogeographic high in central Stikinia which marks the southern edge of the Jurassic-Cretaceous Bowser Basin, and hosts a swarm of Eocene plutons (Nelson, 2017). In arc terranes, transverse structures are considered preferential hosts for porphyry intrusions and mineralization, particularly where they intersect arc-parallel structures (Angen et al. 2017).

Previous Exploration

Several rounds exploration were conducted within the current property block by Ryan Exploration, Teck Resources, Pembroke Mining Corp, Pacific Gold Corp and Paget Minerals between 1984 and 2011. A highlight of the historical work included discovery of the Barressi Showing (Now called the "VG zone") which yielded a grab sample containing 685 grams per tonne gold, 735 grams per tonne silver and 0.21% copper (Paget Minerals Corp., press release, September 29th, 2010).

In 2016 reconnaissance prospecting program discovered multiple gold and base metal occurrences over an approximately two kilometer long trend, described as the "Solomon Trend". Mineralization within the trend is characterized by quartz with pyrite, chalcopyrite and/or sphalerite veins, stockworks, breccias. Stratiform lenses and horizons of massive to semi-massive sulfides and silicified zones occur in several sites within the extensive quartz-sericite-pyrite (QSP) and quartz chlorite-epidote-pyrite (QCP) alteration trend.

Chip samples from the VG Zone within the Solomon Trend during 2016 averaged 5.4 grams per tonne gold over 25 metres with 17.9 grams per tonne gold over 5 metres. Additional bedrock grab samples in the Solomon Trend contained up to 34.9 grams per tonne gold, 140 grams per tonne silver, 3.02 percent copper and 3.3 percent zinc (in different samples).

The Sheba Zone target area, located in the northwest quadrant of the Solomon Trend, is an approximately 500 by 200 meters zone of anomalous sulphide mineralization. 2016 prospecting in the zone returned bedrock grab samples which assayed 4.55 and 1.3 grams per tonne gold from quartz stockworks and stringers. Visible gold was also observed in one grab sample. This zone also yielded base metal values in outcrop grab samples which contained up to 1.95 percent lead from an outcrop with quartz stringers and up to 0.14 percent copper and 0.69 percent zinc from different samples.

The Tut Zone is located in the east and southeast quadrants of the Solomon Trend, measures approximately 400 meters by 1100 meters and remains open. The area has returned strongly anomalous gold and base metal values which coincide with TDEM conductors and magnetic lows from historic geophysical surveys. Gold values from grab samples taken from the Tut Zone during 2016 include 3.58, 1.6 and 1.4 grams per tonne gold respectively from outcropping stringer sulphide veins and silicified zones. Base metal values from outcrop grab samples include 0.9 percent copper, 1.63 percent lead and 4.34 percent zinc from different samples.

The Sleeping Giant Zone was discovered in 2016 and is located approximately five kilometers north east of the Solomon Trend, where similar mineralization, geology and alteration were observed at a road cut. The Sleeping Giant Zone received minimal prospecting in 2016, but returned assays from bedrock grab samples of up to 2.52 grams per tonne gold, 128 grams per tonne silver, 8.11 percent copper, and 0.3 percent zinc from different samples.

The Midas property is host to an extensive syn-volcanic alteration system in deformed bimodal volcanics similar to significant VMS mineral deposits in British Columbia such as Eskay Creek and Myra Falls.

The reader is cautioned that grab samples are spot samples which are typically, but not exclusively, constrained to mineralization. Grab samples are selective in nature and collected to determine the presence or absence of mineralization and are not intended to be representative of the material sampled.

2017 Exploration

An extensive exploration program was conducted in 2017 including property-wide geophysics (SkyTEM™ airborne EM and magnetics) prospecting, geologic mapping, channel cutting, and alteration studies with the goal of delineating drill targets for 2018.

A 759 line kilometer high-resolution SKYTEM™ survey was completed, covering the entire property. Follow-up prospecting of the survey data lead to the identification of multiple new sulphide mineralized outcrops. Structural analysis of this data remains ongoing.

A total 89 channel cuts over 315.1 metres (504 samples) were made that ranged from 0.4 to 15.5 metres in length. Highlights include four channel cuts which intersected a N-S trending, mineralized shear zone at the VG showing. Mineralized intervals from these channels included 4.34 metres of 10.28 grams per tonne gold, 4.95 meters of 2.01 grams per tonne gold and 2.13 metres of 13.3 grams per tonne gold. True thickness is estimated to be 50-80% of channel intersection width. Two individual 0.85 metre channels, cut in NW-SE orientation within the boundaries of the mineralized structure assayed 88.9 (2.59 oz/t) and 33.8 grams per tonne gold respectively. Of the 89 channel sample, 12 intersected gold mineralization greater than 1 g/t. The remaining 77 channel cuts did not intersect significant gold mineralization.

One hundred and eighty total chip samples were taken that range from below detection limit to 33.5 grams per tonne gold. Fifty-seven chip samples returned assays greater than 0.1 grams per tonne, sixteen of which returned assays ranging from 1.08 to 33.5 grams per tonne gold. Chip samples were generally collected perpendicular to the strike of the foliation. True thickness of mineralization has yet to be determined for these zones.

One hundred and forty-two bedrock grab samples were taken that returned assays ranging from below detection limit to 20.7 grams per tonne gold, with ninety-nine percent of samples above detection limit, and 57 samples above 0.1 grams per tonne gold. Highlights include a sample that contained 20.7 grams per tonne gold, 37.3 grams per tonne silver, and 1.14 percent lead. Grab samples are selective in nature and not intended to be representative of the material sampled.

An extensive soil sampling program was completed over an area of approximately 1.7 by 1.2 kilometres with 50 metre spaced grid lines and samples taken every 25 metres. The combined soil dataset shows an anomalous region of gold-copper-silver measuring approximately 1600 by 800 metres (link to map). This anomaly can be subdivided in to three separate anomalies with values greater than 50 ppb. All three of these soil anomalies broadly strike NW, the largest of the three extends over 1000 by 250 metres from the southeast corner of the soil grid and it remains open to the east. Towards the northern margin of said anomaly a second 650 by 150 metre anomaly strikes northwest and is broadly a continuation of the first. The third anomaly is approximately situated over the VG showing and again strikes northwest for ~ 600 metres and remains open to the south. Mean gold value of the 1133 soil samples is 27 ppb (median value of 10 ppb and an SD of 265). Background Au in soil in this area is less than 10 ppb.

Detailed geological mapping was conducted with the goal of delineating drill targets for 2018. Additional work included acquisition and interpretation of high-resolution satellite imagery and an on-going alteration/petrographic study.

Follow-up prospecting of geophysical anomalies led to the discovery of several new mineralized zones including the Good Gully, VGIP Southeast, All Star and Gold Ridge West zones. These zones are characterized by quartz-sericite-pyrite alteration, gossans and disseminated to semi-massive and massive sulphide mineralization. New sulphide mineralization discovered, in the area of a historic IP anomaly, is referred to as the VGIP Southeast Zone. This discovery expands the footprint of the VG zone at least 100 metres to the southeast.

2018 planned work

The property has seen very little exploration compared when with other strongly altered and mineralized prospective VHMS areas in British Columbia. The majority of the Midas claim block also remains unexplored. Geological work in 2017 confirmed the size, intensity and continuity of the alteration system and associated mineralization. Planned exploration in 2018 includes drilling, geochemical surveys, geological mapping and geophysical surveys.

Empire Property

Location and Infrastructure

The Empire Property is located approximately 40 kilometres northeast of Terrace, BC. Parts on the property are road-accessible and it is approximately eight kilometres from the nearest highway and power line. The terrain is mountainous, with elevations ranging from 700 up to 2,400 metres. Recent, rapid glacial recession has provided new outcrop exposures in areas that previously inaccessible. Staking in 2017 and 2018 increased the property from 7,682 to 16,399 hectares.

Geology

The Empire property is characterized as an extensive system of polymetallic veins, hosted primarily within intermediate volcanic rocks of the Lower Jurassic Telkwa Formation. The Telkwa Formation forms part of the Hazelton Group volcanic sequence. The northern portion of the property is underlain by sedimentary rock of the Lower Jurassic Nikitwa, Smithers and Quock and Formations.

Structurally, the Empire property resides with the Skeena Arch. The Skeena arch, a long-lived ENE, arc-transverse paleogeographic high in central Stikinia which marks the southern edge of the Jurassic-Cretaceous Bowser Basin, and hosts a swarm of Eocene plutons (Nelson, 2017). In arc terranes, transverse structures are considered preferential hosts for porphyry intrusions and mineralization, particularly where they intersect arc-parallel structures (Angen et al. 2017).

Previous Exploration

Very little historical exploration work was conducted on the Empire property prior to 2016. Regional geochemical reconnaissance work by the British Columbia Geological Survey identified a stream sediment sample with anomalous in gold (201 ppb Au) on the property. Follow-up work by a private prospector in 1996 included collection of a panned concentrate stream-sediment sample with visible gold that assayed 8,600 ppb Au (Carter, 1996). The high grade was likely the result of nugget effect since the other streams sediment samples returned no significant results.

Work in 2016 included collection of 139 rock samples. Rock grab samples assay results ranged from below detection up to 16.4 grams per tonne gold, 36,875 grams per tonne silver, 27.6% copper, 33.9% lead and 29.98% zinc in different samples. Two main zones were delineated during the 2016 field season: Inca and Babylon. The Inca Trend includes three showing called Metallica, Metalworks and Olympus.

Within the Inca Trend areas of massive and semi-massive sulphides and sulfosalts occur in abundant, near-vertical and flat-laying quartz-carbonate veins, sheeted veins, breccias and stockworks in two extensive vein swarms identified as the Metallica and Metalworks Zones.

The Metallica zone is a new discovery in a region of recent glacial retreat exposing new mineralized outcrop. Prospecting identified mineralization over an area measuring approximately 250 by 225 meters. Mineralization is characterized by flat-lying sheeted quartz-carbonate veins with globular sulfide disseminations arranged in a traceable set for over 50 meters. Individual veins are up to 25 cm wide with an ankeritic carbonatized alteration halo. Mineralized veins assayed between 1 and 16.4 grams per tonne gold, and up to 2,470 grams per tonne silver, 15.45% copper and 1.58% zinc. The most prominent mineralization observed in outcrop in the Metallica Zone was a solid massive sulphide and sulfosalt vein up to 30 cm wide. Samples taken across the vein returned assay values of up to 36,875 grams per tonne silver, 4.68 grams per tonne gold, 27.6% copper and 3.27% zinc.

The Metalworks zone was discovered in 2016 is within the Inca Trend, also in an area of recent glacial recession. The zone is characterized by polymetallic veins in an area that measures 95 by 85 meters and remains open. In 2016, two days of prospecting in the Metalworks zone identified multiple sulphide-sulfosalt veins with massive lenses and quartz-carbonate veins and disseminated sulphides along contacts, fractures and faults in a localized dyke swarm. Additionally, a massive galena vein with widths up to 10 cm was discovered. Samples from the galena vein have returned values up to 12.5 grams per tonne gold, 264 grams per tonne silver, 5% copper, 33.9% lead and 29.9% zinc in different samples. A bedrock grab taken from another set of sulphide veins at Metalworks returned 5.82 grams per tonne gold, 100 grams per tonne silver, 1.0% copper, 13.6% lead and 12.6% zinc. Approximately 50 meters along strike another bedrock grab sample returned 12.5 grams per tonne gold, 0.5% copper, 7.45% lead and 4.65% zinc.

Prospecting work at the Olympus Showing in 2016 included collection of grab samples which returned up to 3.43 grams per tonne gold, 0.13% copper, 0.78% lead, and 0.11% zinc from different samples.

Approximately three kilometers southeast of the Inca Trend is the 1.6 kilometer by 1 kilometer Babylon Trend. Within the Babylon Trend polymetallic mineralization is focused along contacts, fractures, shears and faults, and likely related to remobilization of prior mineralization. Within the Babylon Trend numerous bedrock samples strongly elevated in gold-silver and base metals were collected in areas of newly exposed outcrop as a result of recent glacial recession. Grab samples taken from outcrop in an area of extensive surface mineralization assayed up to 2.81 grams per tonne gold, 1,860 grams per tonne silver, 3.1% copper and 2.86% zinc from different samples.

2017 Exploration

An extensive exploration program was conducted in 2017 including property-wide geophysics (SkyTEMtm airborne EM and magnetics) prospecting, geologic mapping, channel cutting, and alteration studies with the goal of delineating drill targets for 2018. Final assays and check-assays for the 2017 program are pending. Preliminary geological results of the 2017 program were reported on October 16, 2017.

A 540 line kilometer high-resolution SKYTEM™ survey was completed, covering the entire property. Follow-up prospecting of the survey data led to the identification of multiple new sulphide mineralized outcrops. Inversion and modelling of the SKYTEM data identified a large, buried, highly conductive body that measures 1000 x 800 x 300 metres. Below the main anomaly, the conductive zone remains open to depth. The anomaly is hosted within a sequence of Upper Hazelton Group marine volcanics (pillow lavas) and sediments (marine fossils), possibly contemporaneous with the Eskay Rift.

Sampling and prospecting crews collected 489 grab samples from outcrop and float and 23 silt and talus fine samples. Channel samples (379 individual samples over 356 meters) were collected in 81 individual channels cuts.

Detailed geological mapping was conducted with the goal of delineating drill targets for 2018. Additional work included acquisition and interpretation of high-resolution satellite imagery and an on-going alteration/petrographic study.

Property wide prospecting, coupled with extensive glacial and snow pack recession in 2017 exposed several new polymetallic mineralized zones containing disseminated, semi-massive and massive sulfides zones. Newly discovered zones include the Rock Star, Max Min and Material Metal showings. These new zones support the presence of a mineralizing system and expand both the Inca and Babylon trends to the North and South. Both trends remain open in all directions.

A highlight of the 2017 program was the discovery of the Max Min zone. The best channel sample from the Max Min contained 4.8 grams per tonne gold, 0.26 % copper, 3.73 % zinc, and 4.85 % lead. An additional chip sample assayed 47.20 grams per tonne gold, 0.02 % copper, 5.39 % zinc, and 12.3 % lead over 2.0 metres. The true thickness of the channel sampled zone is not known. Grab, chip and channel samples containing gold and polymetallic mineralization with local potassic alteration were collected over a zone measuring 170 by 100 m.

At the Metalworks showing, a chip sample containing 2.64 gram per tonne gold, 277 gram per tonne silver, 0.04 % copper, 3.88 % zinc, and 11.95 % lead over 5 m was collected. True thickness of this zone is not known.

The Metallica zone is located approximately 250 south of the Metalworks target area. Mineralization is hosted within a propylitically altered feldspar porphyry unit and is comprised of two distinct types of mineralization: (1) gently dipping, 20–30 cm wide quartz + Fe-carbonate ± covellite ± sphalerite veins, and (2) a silver-rich polymetallic massive sulfide lens. Initial channel cuts from a massive sulphide lens returned values of 22694 grams per tonne silver, 26.4 % copper, 2.8 % zinc over 0.2 metres. A quartz vein channel cut returned values of 3.74 grams per tonne gold, 83.4 grams per tonne silver, and 0.74% copper over 0.4 metres. Chip and channel samples were collected in the gently-dipping (type 1) veins were cut in the dip-slope of the veins and thus do not represent true thickness.

Best 2017 results from the Olympus trend include a chip sample containing 0.42 gram per tonne gold, 625 gram per tonne silver, 1.37 % copper, 0.22 % zinc, and 0.08 % lead over two meters. An outcrop grab sample returned 1.01 grams per tonne gold, 718 grams per tonne silver and 0.83% copper.

Sampling in 2017 at the Rockstar zone returned a channel cut with 6.02 metres including 1.53 grams per tonne gold, 1.38 % copper, 0.23 % zinc, and 0.13 % lead. A one metre chip sample on Rockstar contained 21.7 grams per tonne gold, 0.94 % copper, 3.42 % zinc, and 11.55 % lead. True thickness of this zone is not known.

Best results at Babylon include chip samples grading 0.35 % copper, 0.04 % zinc, 0.01 % lead, and 177 grams per tonne silver over 4 metres; 3.75 metres grading 0.29 % copper, 0.03 % zinc, and 221 grams per tonne silver; and 3.75 metres grading 0.35 % copper, 0.04 % zinc, 0.02 % lead, and 116 grams per tonne silver. True thicknesses of the mineralized zones are not known.

At the Material Metal target, ten chip samples were taken that range from 0.35 % to 1.78 % copper content. Highlights include a 5 metre chip sample that contained 0.04 grams per tonne gold, 0.55 % copper, and 15.6 grams per tonne silver. An outcrop grab sample that contained 0.14 grams per tonne gold, 1.08 % copper, and 53.8 grams per tonne silver. True thickness of this zone is not known.

The reader is cautioned that grab samples are spot samples which are typically, but not exclusively, constrained to mineralization. Grab samples are selective in nature and collected to determine the presence or absence of mineralization and are not intended to be representative of the material sampled.

2018 planned work

Geological work in 2017 confirmed the size, intensity and continuity of the alteration system and associated mineralization. Planned work in 2018 includes diamond drilling, geochemical surveys, geological mapping and geophysical surveys.

DSM PROPERTIES

The DSM Syndicate a private precious metals project generator in British Columbia which holds six mineral exploration properties. Juggernaut Exploration Ltd. owns a 20% interest in all six DSM Syndicate's properties. The DSM properties are Money, Goldstar, Skyhigh, Goldcrest and Goldstandard, Newstrike.

The Money property is located approximately 50 kilometers southeast of Kitimat, BC and approximately 30 kilometers north of the community of Kemano. The Money property covers 11,657 hectares. Mineralized samples have been collected over an area of 175 x 50 m, called the "Goldzilla Zone", including a grab sample containing 81.5 grams per tonne gold. In addition to the Goldzilla Zone, grab samples containing up to 0.539 percent copper and 6.7 grams per tonne silver have been collected 1.2 kilometers to the southeast in the same suite of metamorphic rocks.

The Goldstar Property covers 3,034 hectares and situated approximately 23 kilometers south of Bella Coola, BC. The Property is located approximately 3 kilometers from logging access roads and lies within 2.5 kilometers of South Bentick Arm and tidewater. A total of 16 rock samples were taken on the Goldstar property in 2017, of which seven were taken from the newly discovered Yellow Brick Road Zone. The mineralized grab samples define an area 90 by 20 metres in size. First pass exploration returned peak grab sample values of 55.8, 21.4 and 16.7 grams per tonne gold and peak silver values of 2,340, 795 and 339 grams per tonne from different samples. The best base metal values from grab samples included 1.7, 1.67 and 1.25 percent copper and four samples containing between 0.4 and 12.30 percent lead.

The Skyhigh Property is located approximately 95 kilometers north of Campbell River, BC and occupies 1,775 hectares. Logging trails extend onto the property from Loughborough Inlet located 15 kilometers west and an airstrip and logging camp are located 30 kilometres east. Grabs sample from the 2017 program returned up to 92.8 grams per tonne gold (2.71 oz/t), and 13,644 grams per tonne silver (398 oz/t); with base metal values up to 13.85 percent lead, 18.65 percent copper, 0.5 percent zinc and 0.48 percent molybdenum in different samples. In addition to samples described above, other talus samples with similar vein material returned 6.9 and 1.77 grams per tonne gold with 647 and 300 grams per tonne silver respectively. A 1.5-meter-wide chip sample across a comb textured galena-pyrite-chalcopyrite quartz vein in bedrock returned 1.49 grams per tonne gold, 769 grams per tonne silver, 13.85 percent lead, 0.44 percent zinc and 0.15 percent copper.

The Goldcrest property is located 12 kilometers from Bella Coola, British Columbia and covers 827 hectares. The property was staked based on positive results from a brief reconnaissance prospecting program that discovered surface breccia and mineralization with bedrock grab samples containing up to 3.16 grams per tonne gold and 69.3 grams per tonne silver from different samples. The Goldcrest claims are underlain by a sequence of altered basaltic to andesitic volcanic rocks, fragmental breccias and tuffaceous horizons intercalated with thinly bedded siltstone, black argillite, and pebble conglomerate that unconformably overlay Jurassic and Cretaceous plutons. Mineralization on the property is associated with extensive quartz-sericite-pyrite alteration and silicification.

The Newstrike Property covers 2692 hectares and is located 37 kilometres from Tatla Lake, and 160 km west of Williams Lake. The best grab sample to date contained 2.78 grams per tonne and 1.7 grams per tonne silver in float. The Newstrike Property is situated in the Stikina Terrane and Gambier overlap assemblage near the northwest margin of the Coast Plutonic Complex. This package of rocks has been folded and imbricated by gently southwest-dipping thrust sheets that have subsequently been intruded by younger intrusions. A total of 39 rock samples were taken on the Newstrike Property in 2017, these ranged from below detection limit and up to 2.78 grams per tonne gold, with ten samples returning greater than 100 ppb gold.

The Goldstandard property is situated approximately five kilometers north of Bella Coola, BC and covers 690 hectares with close access to infrastructure. The Goldstandard property was staked based on reconnaissance prospecting work that yielded grab samples containing yielded up to 1.57 grams per tonne gold. Goldstandard is situated in the Pootlass High Strain Zone, a corridor of brittle and ductile deformation, approximately two kilometres wide and up to thirty kilometres long, that is proximal to the boundary between the Intermontane and Insular superterrane. Sampling of discontinuous sheeted quartz vein sets that yielded values up to 1.565 grams per tonne from a bedrock grab sample. Fifty meters away, a two metre chip samples assayed 0.529 grams per tonne gold. Five other samples collected on the property did not contain any significant mineralization.

The reader is cautioned that grab samples are spot samples which are typically, but not exclusively, constrained to mineralization. Grab samples are selective in nature and collected to determine the presence or absence of mineralization and are not intended to be representative of the material sampled.

2018 planned work

Geological work in 2017 confirmed the size, intensity and continuity of the alteration system and associated mineralization. Follow-up work in 2018 will include additional prospecting, channel sampling and geological mapping.

Selected Annual Information

	Year Ended September 30, 2017 \$	Year Ended September 30, 2016 \$	Year Ended September 30, 2015 \$
Net loss and comprehensive loss	(394,471)	(107,086)	(133,644)
Basic and diluted loss per share	(0.02)	(0.01)	(0.01)
Total assets	6,411,780	154,825	6,166
Current liabilities	187,441	666,359	560,614
Working capital (deficiency)	430,423	(511,872)	(554,871)
Dividends	Nil	Nil	Nil

The Company's accounting policy is to record its mineral properties at cost. Exploration and development expenditures are deferred until properties are brought into production, at which time they will be amortized on a unit of production basis. In the event that properties are sold, impaired or abandoned, the deferred cost will be written off.

In fiscal 2015, the Company's asset base was substantially lowered as during fiscal 2014, due to lack of funds and uncertainty of success, the Company wrote off its exploration and evaluation assets.

In fiscal 2016, the Company closed a non-brokered private placement for gross proceeds of \$150,000. The cash position attributed to the increase in the asset base from 2015. Net loss also decreased in 2016 due to management personnel taking a reduction in management and consulting fees.

In fiscal 2017, the Company closed a non-brokered private placement for gross proceeds of \$3,000,000, secured options on two major mineral properties and decreased its liabilities through the issuance of shares for debt and forgiving approximately \$95,000 in related party payables. As a result of its cash position and the acquisition of two mineral properties along with the expenditures of an extensive exploration program, the Company's asset base was increased, while its liabilities were lowered. This also had the effect of reversing a working capital deficiency in prior years to a positive working capital position in 2017.

Due to significant costs incurred with legal and regulatory filing fees to complete the acquisition of the mineral properties and the acceptance of the transaction by the TSX Venture Exchange ("Exchange"), net loss increased considerably in 2017. Furthermore, \$159,360 in share-based compensation was recorded due to the granting of options to management personnel and consultants. No options were granted in the prior two years.

Resources Property Expenditures

As at March 31, 2018, exploration and evaluation assets amounted to \$6,017,863 (2017: \$nil). Exploration expenditures for the six month period totaled \$224,217 (2017: \$nil).

For a detailed breakdown, see the mineral property schedule in Note 5 of the March 31, 2018 unaudited interim financial statements.

Results of Operations:

For the three months ended March 31, 2018 and 2017

For the three months ended March 31, 2018, the Company recorded a net loss of \$289,206 as compared to a net loss of \$28,884 for the three months ended March 31, 2017. Expenses were significantly higher across the board in 2018 as the Company went from being basically inactive for most of 2017 to a fully operating exploration company in 2018.

Major accounts that changed notably for the three month period ended March 31, 2018 and 2017 were as follows:

	2018	2017	Change	
	\$	\$	\$	
Expenses:				
Administration	9,750	-	9,750	a.
Corporate development	10,000	-	10,000	b.
Legal	30,114	21,002	9,112	c.
Management fees	9,750	-	9,750	d.
Office and sundry	15,875	-	15,875	e.
Share-based compensation	162,245	-	162,245	f.
Travel and promotion	33,779	806	32,973	g.
	<u>(271,513)</u>	<u>(21,808)</u>	<u>(249,705)</u>	
Other items:				
All other accounts	<u>(17,693)</u>	<u>(7,076)</u>	<u>(10,617)</u>	
	<u>(289,206)</u>	<u>(28,884)</u>	<u>(260,322)</u>	

- New personnel enlisted in 2018 to handle administration functions due to increase levels of activities occurring within the Company.
- The corporate development function did not exist in 2017 as the company was mostly inactive in 2017.
- Most of the legal in 2018 relates to a US lawyer engaged to obtain an OTCBB listing with DTC eligibility.
- Management functions and responsibilities higher in 2018 due to increased activities within the Company.
- As the Company's operation became more active, its office was relocated to downtown in 2018. Equipping and furnishing a new office along with higher rent largely contributed to the significant cost in 2018.
- Share-based compensation recorded in 2018 as a result of the granting of options to the Company's officers, directors and external business consultants.
- Management and a team of geologists attended PDAC in Toronto in 2018 and sponsored several seminars and presentations in promoting the Company's projects.

For the six months ended March 31, 2018 and 2017

For the six months ended March 31, 2018, the Company recorded a net loss of \$528,043 as compared to a net loss of \$42,458 for the six months ended March 31, 2017. Expenses were significantly higher across the board in 2018 as the Company went from being basically inactive for most of 2017 to a fully operating exploration company in 2018.

Major accounts that changed notably for the six month period ended March 31, 2018 and 2017 were as follows:

	2018	2017	Change	
	\$	\$	\$	
Expenses:				
Administration	19,500	-	19,500	1.
Audit/accounting	12,197	1,748	10,449	2.
Corporate development	11,550	-	11,550	3.
Legal	41,052	21,294	19,758	4.
Management fees	19,500	6,000	13,500	5.
Office and sundry	28,602	3,933	24,669	6.
Share-based compensation	331,104	-	331,104	7.
Travel and promotion	39,373	806	38,567	8.
	<u>(502,878)</u>	<u>(33,781)</u>	<u>(469,097)</u>	
Other items:				
All other accounts	<u>(25,165)</u>	<u>(8,677)</u>	<u>(16,488)</u>	
	<u>(528,043)</u>	<u>(42,458)</u>	<u>(485,585)</u>	

1. New personnel enlisted in 2018 to handle administration functions due to increase levels of activities occurring within the Company.
2. Due to major events and transaction taking place in 2018, higher audit and accounting fees accrued for in 2018.
3. The corporate development function did not exist in 2017 as the company was mostly inactive in 2017. Corporate development services were employed to high-light a non-brokered financing in 2018.
4. Most of the legal in 2018 relates to a US lawyer engaged to obtain an OTCBB listing with DTC eligibility.
5. Management functions and responsibilities higher in 2018 due to increased activities within the Company.
6. As the Company's operation became more active, its office was relocated to downtown in 2018. Equipping and furnishing a new office along with higher rent largely contributed to the significant cost in 2018.
7. Share-based compensation recorded in 2018 as a result of the granting of options to the Company's officers, directors and external business consultants.
8. Management and a team of geologists attended PDAC in Toronto in 2018 and sponsored several seminars and presentations in promoting the Company's projects.

Summary of Selected Highlights for the Last Eight Quarters

Description	Mar. 31, 2018	Dec. 31, 2017	Sept. 30, 2017	Jun. 30, 2017
	\$	\$	\$	\$
Operations				
Office and administration expenses	(59,121)	(45,195)	(50,374)	(3,182)
Professional fees	(34,061)	(19,188)	(65,402)	(69,335)
Share-based compensation	(162,245)	(168,859)	(159,360)	-
Travel and promotion	(33,779)	(5,595)	-	(4,360)
Net loss	(289,206)	(238,837)	(275,136)	(76,877)
Basic and diluted loss per share	0.00	0.00	(0.02)	0.00

Description	Mar. 31, 2017 \$	Dec. 31, 2016 \$	Sept. 30, 2016 \$	Jun. 30, 2016 \$
Operations				
Office and administration expenses	(6,406)	(12,204)	(24,166)	(12,290)
Professional fees	(21,672)	(1,370)	(14,157)	(4,260)
Share-based compensation	-	-	-	-
Travel and promotion	(806)	-	-	-
Net loss	(28,884)	(13,574)	(38,323)	(16,550)
Basic and diluted loss per share	0.00	0.00	(0.01)	0.00

For the three months ended March 31, 2018

Net loss increased from the previous quarter as management and geological personnel incurred major travel and promotion expenses while attending the PDAC in Toronto and sponsoring seminars and presentations in promoting fund raising to finance the Company's planned exploration work. Also legal fees increased in the quarter in the Company's attempt to secure a OTCBB listing with DTC eligibility.

For the three months ended December 31, 2017

Net loss decreased from the previous quarter due mainly to a substantial decrease in professional fees and office and administration expenses. Professional fees were significantly higher in the previous quarter as a result of legal services involved in securing the Company's mineral properties and filing of the transaction with the TSXV in the previous fiscal year.

For the three months ended September 30, 2017

Net loss increased substantially over the previous quarter due to recognition of \$159,360 in share-based compensation resulting from the granting of incentive share purchase options during the quarter. Office and administration also increased due to large payments regarding regulatory and filing fees relating to activities of the Company.

For the three months ended June 30, 2017

Substantial increase in professional fees from the previous quarter with legal services associated with a financing and the filing of the acquisition of two major mineral properties with the Exchange.

For the three months ended March 31, 2017

Net loss increased from the previous quarter due to higher professional fees as the Company initiated the acquisition of two major mineral properties.

For the three months ended December 31, 2016

Typical results for the quarter as absence of extraordinary items.

For the three months ended September 30, 2016

Net loss increased in the 4th quarter of 2016 due to higher legal fees pertaining to the potential acquisition of a mineral property. Administration expenses also increased as consulting fees were accrued during the quarter for a director.

For the three months ended June 30, 2016

Typical net loss incurred for the quarter, which was lower from the previous quarter as no filing fees and travel expenses were incurred for the current period.

Liquidity and Solvency

At this time, the Company has no operating revenues and does not anticipate revenues of any kind until the Company is able to find, acquire, or place in production and operate a mining property. Historically, the Company has raised funds through private placements, loans, shares for debt settlements, and the exercise of options and warrants.

- 2018:

On April 20, 2018, the Company closed a non-brokered private placement by issuing a total of 12,487,201 units for gross proceeds of \$2,743,014.

In March and April of 2018, 1,640,000 warrants were exercised at a unit price of \$0.08 per share for gross proceeds of \$131,200.

- 2017:

The Company closed a non-brokered private placement for gross proceeds of \$3 million. In addition, the Company also issued 3,000,000 common shares pursuant to the exercising of 3,000,000 warrants for gross proceeds of \$150,000.

The Company settled \$425,534 of debts with a related party through the issuance of 5,500,000 common shares of the Company.

As at March 31, 2018, the Company had cash and cash equivalents of \$1,060,868 and working capital of \$984,723.

As a result of securing a private placement in 2018, the Company will have sufficient funds to cover overhead expenses as well as the ability to finance the planned exploration work this spring and summer, which includes multiple drill targets. In April of 2018, the optioners amended the property agreements to extend the timing of cash payments, shares issuance and the incurrence of exploration expenditures.

While the Company is able to carry on financially for the duration of fiscal 2018, the Company must continue to be successful in its fund raising efforts or the Company will eventually not be in position to meet its financial obligations. Management believes the Company can raise new funds and the Company will be able to fulfill its financial commitments but, there are no assurances that this will be achieved. If management is unsuccessful in raising further financing, the Company's survival as a going concern beyond fiscal 2018 may be in doubt.

As at March 31, 2018 the Company has the following operating lease commitments:

Fiscal	\$
2018	55,080
2019	110,160
2020	110,160
2021	27,540
Total	302,940

Recent Pronouncements Affecting Changes in Accounting Policies (Standards, Amendments and Interpretations Not Yet Effective):

Certain new accounting standards and interpretations have been published that are not mandatory for the September 30, 2017 reporting period. The Company has not early adopted the following new and revised standards, amendments and interpretations that have been issued but are not yet effective:

- IFRS 16 Leases (effective January 1, 2019)

The Company anticipates that the application of the above new and revised standards, amendments and interpretations will have no material impact on its results and financial position.

Critical Accounting Estimates

The Company's significant accounting policies are summarized in Note 3 of its interim financial statements for the period ended March 31, 2018. The preparation of the financial statements in accordance with IFRS requires management to select accounting policies and make estimates and judgments that may have a significant impact on the financial statements.

The Company regularly reviews its judgements and estimates; however, actual amounts could differ and, accordingly, materially affect the results of operations.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Outstanding Share Capital

The following securities were outstanding as at May 25, 2018:

Securities	Number	Weighted-Average Exercised Price	Expiry Date
Common shares issued and outstanding	75,553,770	N/A	N/A
Share purchase warrants	47,868,445	\$0.27	Jul. 17, 2019 - Jul 17, 2022
Share purchase options	3,965,000	\$0.32	Aug. 10, 2022 - May 2, 2023
Shares to be issued - property agreements	24,600,000	\$0.00	N/A
Fully diluted share capital	99,841,569	N/A	N/A

For a breakdown of the securities as at March 31, 2018, refer to Note 6 of the interim financial statements for the six months ended March 31, 2018.

Related Party Transactions

Key management personnel are persons responsible for the planning, directing and controlling activities of the entity. The Company's key management personnel are the CEO and CFO and their compensations are included in the following

	For the Three Months Ended		For the Six Months Ended	
	March 31,		March 31,	
	2018	2017	2018	2017
	\$	\$	\$	\$
Management fees	9,750	-	19,500	6,000
Administrative fees	9,750	-	19,500	-
Other	-	-	-	4,078
Total	19,500	-	39,000	10,078

During 2017, office rent of \$3,000 was paid to a company controlled by the CEO.

The following stock options were granted to management:

	For the Period Ended		For the year ended	
	March 31, 2018		September 30, 2017	
	Number of Options	Options Valuation \$	Number of Options	Options Valuation \$
CEO	-	-	200,000	65,880
CFO	-	-	200,000	65,880
Directors	-	-	400,000	131,760
Total	-	-	800,000	263,520

The fair values were estimated using the Black-Scholes option pricing model.

Related party liabilities are as follows:

	As at March 31,	
	2018	2017
	\$	\$
Amounts due to management		
Management fees	3,250	442,187
Administration fees	3,250	22,000
Expenses and other	325	11,000
Total	6,825	475,187

These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

During fiscal 2017, the Company issued 5,500,000 common shares of the Company to a corporation owned by the CEO to settle liabilities of \$425,534.

Subsequent Events

The following events occurred subsequent to March 31, 2018:

- On April 20, 2018, the Company closed a non-brokered private placement by issuing a total of 12,487,201 units for gross proceeds of \$2,743,014.

The first portion of the private placement consisted of 3,508,201 flow-through units at a price of \$0.27 per unit for gross proceeds of up to \$947,214. Each unit was comprised of one common flow-through share of the Company and one non-transferrable share purchase warrant exercisable to purchase an additional regular common share of the Company at a price of \$0.60 expiring on April 20, 2020, subject to the right of the Company to accelerate the exercise period of the warrants to 30 days after providing if the shares of the Company attained a closing price of \$1.00 or higher for 10 consecutive trading days four months after the closing date.

The second portion of the private placement consisted of 8,979,000 regular units at a price of \$0.20 per unit for gross proceeds of up to \$1,795,800. Each unit was comprised of one common share of the Company and one non-transferrable share purchase warrant exercisable to purchase an additional common share of the Company at a price of \$0.50 expiring on April 20, 2021, subject to the right of the Company to accelerate the exercise period of the warrants to 30 days after providing notice if the shares of the Company attained a closing price of \$1.00 or higher for 10 consecutive trading days four months after the closing date.

A cash commission of \$134,532 was paid and 621,244 broker warrants were issued. 146,914 transferrable broker warrants pertaining to the flow-through units sold contained the same exercise terms of the flow-through unit warrants. 474,330 transferrable broker warrants pertaining to the regular units sold contained the same exercise terms of the regular unit warrants.

- The Company issued 636,500 common shares pursuant to the exercising of warrants at a unit price of \$0.08 per share for gross proceeds of \$50,920.
- Subject to acceptance by the TSX Venture Exchange, The Company has granted to management and certain geological and business consultants, incentive options for the purchase of up to 1,800,000 common shares of the Company exercisable at a unit price \$0.22 per share and 150,000 options exercisable at a unit price of \$0.24 per share for a five year period from the date of the grant. Incentive options granted to management are vested over a one year period and incentive options granted to the consultants are vested over a two year period.

Disclosure Controls and Procedures

Management has assessed the effectiveness of the Company's disclosure controls and procedures used for the financial statements and MD&A as at March 31, 2018. Although certain weaknesses such as lack of segregation of duties are inherent with small office operations, management has implemented certain controls such as frequent reviews and regular preparations of reconciliations of transactions and budgets to ensure absence of material irregularities. Management has concluded that the disclosure controls are effective in ensuring that all material information required to be filed has been made known to it in a timely manner. The required information was effectively recorded, processed, summarized and reported within the time period necessary to prepare the annual filings. The disclosure controls and procedures are designed to ensure effective information required to be disclosed pursuant to applicable securities laws are accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

Risk Factors

The Company is engaged in the exploration for and development of mineral deposits. These activities involve significant risks which careful evaluation, experience and knowledge may not, in some cases, eliminate. The commercial viability of any material deposit depends on many factors not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure. Government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations, have an impact on the economic viability of a mineral deposit.

The discovery, development and acquisition of mineral properties are in many respects unpredictable events. Future metal prices, capital equity markets, the success of exploration programs and other property transactions can have a significant impact on capital requirements.

Although the Company has taken steps to verify the title to the properties in which it has an interest, in accordance with industry standards for the current stage of exploration of the same, these procedures do not guarantee the Company's title to these properties. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

The Company has no significant source of operating cash flow and no revenues from operations. The Company's ability to meet its obligations and maintain its current operations through the ensuing twelve month period and thereafter is contingent upon successful completion of additional financing agreements and ultimately upon the discovery of proven reserves and generating profitable operations.

The Company's properties are in the exploration stages only and are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. Exploration of properties may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company could be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of the properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to its current properties that may result in material liability to the Company.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts revenues and expenses during the reporting period. Actual results could differ from those estimates.

Annual losses are expected to continue until the Company has an interest in a mineral property or project that produces revenues. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon the continued support of its shareholders, obtaining additional financing and generating revenues sufficient to cover its operating costs. The Company's accompanying financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

The Company's operations are within Canada with all of its expenses being incurred in Canadian dollars. Therefore, currency risk is minimal.

Any forward-looking information in this MD&A is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the Company and other factors.