NEVADO RESOURCES CORPORATION

MANAGEMENT DISCUSSION AND ANALYSIS

DECEMBER 31, 2018

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BACKGROUND

The following management discussion and analysis ("MD&A") should be read in conjunction with the audited financial statements of Nevado Resources Corporation (the "Company") for the year ended December 31, 2018. The audited annual financial statements for the year ended December 31, 2018, and the comparative data have been prepared in accordance with IFRS. Unless otherwise specified, the financial information included in the financial statements and contained in this MD&A is denominated in Canadian dollars, which is the functional and presentation currency of the Company.

FORWARD-LOOKING STATEMENTS

The sections of this MD&A on the Company's strategy and action plan and exploration activities contain "forward-looking statements" depending on context, particularly statements that reflect the Company's opinions, estimates and expectations with regard to future events or results. Such forward-looking statements are subject to certain factors and involve a number of risks and uncertainties. There can be no assurance that such statements will prove to be accurate. Factors that could cause future results, activities and events to differ materially from those expressed or implied by such forward-looking statements include, but are not limited to, risks inherent in the mining industry, uncertainty in the estimation of mineral resources and additional financial requirements, as well as the Company's ability to meet such requirements. These risks and uncertainties are described in this MD&A.

COMPANY OVERVIEW

The Company was incorporated under the *Canada Business Corporations Act* on June 9, 2006.

The Company's activities essentially focus on the exploration and evaluation of mineral properties for commercial production. The Company does not currently mine any properties. The Company holds a 100% interest in the La Blache (titanium-vanadium) property, which is comprised of 48 mining claims covering a total area of 2,653 hectares (27 km^2) in Northern Quebec.

The recovery cost of mining assets depends on the ability to discover and economically extract ore reserves, on obtaining the required funding to continue exploring, evaluating and developing its properties and the proceeds from the disposal of properties. The Company must periodically obtain new funds in order to continue its activities, and despite the fact that it has succeeded in doing so in the past, there can be no assurance that it will continue to do so in the future.

HIGHLIGHTS

- On September 19, 2018, the Company announced the appointment of Tyson King and Doug Walden to its board of directors.

- On November 20, 2018, Tyson King was appointed as President and Chief Executive Officer of the Company.

- On December 3, 2018, the Company's Class A common shares were consolidated on a basis of one new share of Nevado for every tranche of 20 old Class A common shares of Nevado issued and outstanding. As a result, the number of Nevado's issued and outstanding shares was reduced from 62,381,296 to 3,119,065.

- On March 29, 2019, the Company has arranged a non-brokered private placement of 3,1 million units at $0.10 per unit for gross proceeds of $310,000. Each unit comprised of one common share in the capital of the Company and one transferable common share purchase warrant. Each warrant will entitle the holder to purchase one common share at price of $0.12 per common share until the date which is one year from the date of issuance.

- On February 12, 2019, the Company received $47,897 for promissory note with a one year interest of 12% per annum. On April 9, 2019, the Company repaid all of its outstanding promissory notes and the accrued interest for an amount of $197,121.

MINING PROPERTIES

La Blache Property (Titanium-Vanadium)

The Company owns 48 claims covering an area of 2,653 hectares (27 km^2) forming the titanium-vanadium rich La Blache property (the "Property"), located some 150 km northwest of Baie-Comeau in the Upper North Shore region of Quebec.

With the help of geophysical surveys and prospection work, the Company has identified a total of 25 massive iron oxide lenses, including Farrell-Taylor, Hervieux West, Schmoo Lake, Hervieux East, Hervieux East Extension, Hervieux North Extension, Zorro-Leduc, Leduc-Farrell and E. Girard. The Farrell-Taylor lens has been modeled geophysically and drilled, and currently measures 1,500 metres by 550 metres by 115 metres. At present, there appears to be at least nine other lenses with similar size potential as the Farrell-Taylor occurrence.

In 2010-2011, the Company realized over 22,000 metres of diamond drilling on the property, mainly on the Farrell-Taylor occurrence, which enabled it to define the high-grade titanium-vanadium-iron resource shown below.

Farrell-Taylor deposit

On July 9, 2012, the Company filed a NI 43-101 Technical Report dated May 14, 2012, on the La Blache titanium-vanadium project with Canadian securities regulators, which includes Mineral Resource Estimates ("MRE") for its Farrell-Taylor titanium-vanadium deposit. The report was prepared by Maxime Dupéré, P.Geo., from SGS Canada Inc.-Geostat ("SGS-Geostat") of Blainville, Quebec.

Using a base case cut-off grade of 5.1% TiO_2 Equivalent ("TiO_2 Eq"), the MRE for Farrell-Taylor totals 101,700,000 tonnes grading 18% TiO_2, 0.33% V_2O_5 and 59.7% Fe_2O_3 (41.76% FeT) in the Inferred category. The following table summarizes the MRE of Farrell-Taylor at other cut-off grades:

MINERAL RESOURCE ESTIMATES – INFERRED CATEGORY						
Cut-off grade (based on % TiO_2 Eq[1])	**Tonnes**	**% Fe_2O_3**	**% FeT**	**% TiO_2**	**% V_2O_5**	**% TiO_2 Eq[1]**
5	**101,720,000**	**59.70**	**41.75**	**18.00**	**0.33**	**21.74**
5.1[2]	**101,700,000**	**59.70**	**41.76**	**18.00**	**0.33**	**21.75**
6.7[3]	**101,320,000**	**59.86**	**41.87**	**18.05**	**0.33**	**21.80**
10	**100,370,000**	**60.21**	**42.11**	**18.16**	**0.33**	**21.93**

15	**96,460,000**	**61.18**	**42.80**	**18.46**	**0.34**	**22.29**
18.6[4]	**88,650,000**	**62.27**	**43.55**	**18.83**	**0.34**	**22.75**
20	**81,860,000**	**62.90**	**43.99**	**19.06**	**0.35**	**23.03**

Notes:
[1] % TiO_2 Eq denotes % TiO_2 equivalent grade calculated as follows: % TiO_2 Eq = % TiO_2 + ((% Fe_2O_3 x 62% x \$120/tonne) / (90% x \$2,500/tonne) + (%V_2O_5 x 90% x \$13,500/tonne) / 90% x \$2,500/tonne).
[2] SGS-Geostat utilized a US \$115/tonne mining – Neomet-processing cost as the base case: US \$50/tonne mining + US \$65/tonne processing cost, including estimated G&A costs.
[3] US \$150/tonne mining – Neomet processing cost.
[4] US \$420/tonne mining – Neomet processing cost.

The MRE were performed in accordance with NI 43-101, Standards of Disclosure for Mineral Projects, and the "CIM Standards on Mineral Resources and Reserves - Definitions and Guidelines" developed by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council on December 11, 2005. Mineral resources, which are not mineral reserves, do not have demonstrated economic viability. The MRE may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues. The quantity and grade of the estimated Inferred resource reported herein are uncertain, and there has been insufficient exploration to categorize them as an Indicated or Measured resource. Further exploration may result (after validation and resource update) in the reclassification of the Inferred mineral resource as Indicated or Measured.

The mineralization consists mostly of magnetite (iron oxide) and ilmenite (iron titanium oxide), with lesser amounts of iron-magnesium aluminum-silicate minerals, all part of a series of sub-vertical, inclined and sub-horizontal dykes, sills, veins, stockworks and disseminations emplaced along multi-kilometric circular and elliptical configurations within the 35 km by 12 km La Blache anorthositic complex, such as the 45 km La Blache ring of titanium-vanadium-iron.

The geological interpretations on section were linked together into a 3D mesh by the Company. SGS-Geostat reviewed and validated the model and added some minor modifications. The 3D mesh covers over 1,150 metres on the east-northeast direction with an average width of 470 metres. The mineralization starts at 200 metres wide on the west-southwest and widens at depth to approximately 715 metres to the east-northeast. It dips 20 degrees towards the east-northeast, and has a thickness of 50 metres on average, but ranging from 15 metres to as high as 85 metres in the deeper portions.

The database used for the resources estimation used a total of 45 diamond drill holes totalling 16,577 metres (2010-2011 drill programs) and a total of 7,483 assays were considered in the validated database.

The assay method used was XRF for iron and TiO_2 and ICP AES with four acid digestion, especially for vanadium, in Val-d'Or at ALS Minerals of Vancouver.

The overall % TiO_2 Eq grade is defined as a temporary grade, which, when used with the TiO_2 recovery and TiO_2 price, gives the correct net smelter return royalty for a tonne of ore. This equivalent grade combined with TiO_2 recovery and TiO_2 price can be used to calculate a marginal-processing cut-off grade for resource modeling purposes. SGS-Geostat set the cut-off grade at 5.1% TiO_2 Eq. A sensitivity table was also prepared for several benches. All of the Inferred mineral resource occurs between 0 and 600 metres vertical depth. A cut-off grade of 5.1% TiO_2 Eq was used for this table. No pit optimization was done for the mineralization.

Bench (metres)	Tonnage[1]	% Fe_2O_3	% FeT	% TiO_2	% V_2O_5	% TiO_2 Eq
0-200	60,900,000	60.40	42.25	18.48	0.34	22.32
200-400	40,380,000	58.67	41.04	17.32	0.31	20.92
400-600	410,000	57.58	40.27	15.44	0.17	18.24
0-300	90,550,000	59.96	41.94	18.11	0.34	21.93
0-350	98,900,000	59.77	41.80	18.04	0.33	21.81
0-400	101,290,000	59.71	41.77	18.01	0.33	21.76
0-600	101,700,000	59.70	41.76	18.00	0.33	21.75

Note:

[1] Tonnage numbers are rounded to the nearest 10,000 as per National Instrument 43-101 Standards and Policies.

La Blache metallurgy

On February 9, 2012, the Company announced metallurgical test work results on Neomet's Stage 2 mini-plant campaign from the Company's oxide mineralization. These results were obtained from Neomet's final report dated January 16, 2012, which are summarized below:

- The mini-plant circuit was conceived and set up as a continuous operation process;
- High extractions of greater than 90% titanium and vanadium were achieved;
- Titanium was easily and effectively precipitated directly from the leach liquor as TiO_2 of purity greater than 98%;
- TiO_2 was easily upgraded to a product of greater than 99.9% purity in a second step, offering the option of marketing two product grades;
- High purity vanadium (greater than 99.9% pure as ammonium metavanadate) was also recovered;
- The dissolution of the minor elements present in oxides mineralization (aluminum, magnesium, calcium and manganese) are not a cause for concern in the Neomet process and may be opportunities for value-added by-products.

STRATEGY AND ACTION PLAN

The Company continues to search for mining properties to acquire, with strong gold-bearing potential. As announced on March 12, 2019, the Company has arranged a non-brokered private placement of 3,1 million units at $0.10 per unit for gross proceeds of up to $310,000. The Company intends to use the net proceeds from the private placement to reduce corporate debt and to finance the Company's continuing review of prospective projects.

Furthermore, the Company will keep its La Blache (titanium-vanadium) property in Northern Quebec, with the hope of finding a partner to develop the project.

EXPLORATION AND EVALUATION EXPENSES

For the twelve-month periods ended December 31, 2018 and 2017, the Company didn't incur any exploration and evaluation expenses.

SELECTED FINANCIAL DATA AND RESULTS OF OPERATIONS

	2018	2017	2016
	$	$	$
Expenses			
General and administrative expenses	(108,507)	(161,870)	(170,803)
Part XII.6 tax	-	77,670	-
Gain on settlement of accounts payable and accrued liabilities	57,809	-	49,041
Sales taxes claims	-	-	(16,419)
Tax credit (expenses)	-	(56,668)	53,465
Loss and comprehensive loos for the year	(50,698)	(140,868)	(84,716)
Basic and diluted loss per share	(0.02)	(0.05)	(0.03)

	December 31 2018	December 31 2017	December 31 2016
	$	$	$
Total assets	9,222	31,046	125,887
Cash	4,656	6,781	52,317
Total shareholders' deficiency	(272,105)	(221,407)	(80,539)

RESULTS OF OPERATIONS

During the year ended December 31, 2018, the Company incurred $108,507 in general and administrative expenses, compared to $161,870 in 2017. The decrease was mainly due to lower professional and consulting fees.

For the year ended December 31, 2018, the Company recorded a net loss of $50,698 (basic and diluted loss of $0.02 per share), compared to a net loss of $140,868 (basic and diluted loss of $0.05 per share) in 2017. The decrease in net loss was mainly due to the decrease in general and administrative expenses and to the gain on writeoff of accounts payable and accrued liabilities.

FINANCIAL POSITION

As at December 31, 2018, the Company's working capital stood at negative $272,105 (negative working capital of $223,009 as at December 31, 2017), which includes cash and cash equivalents of $4,656 ($6,781 as at December 31, 2017). The Company had an accumulated deficit of $14,866,640 as at December 31, 2018 ($14,815,942 as at December 31, 2017).

The accompanying audited annual financial statements have been prepared using generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. In assessing whether the going concern assumption is appropriate, Management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. Management is aware in making its assessment of material uncertainties related to events and conditions that lend a significant doubt upon the Company ability to continue as a going concern and accordingly, the appropriateness of the use of accounting principles applicable to a going concern, as described in the following paragraph. These financial statements do not reflect the adjustment to the carrying values of assets and liabilities, expenses and financial position classifications that would be necessary were the going concern assumption would not be appropriate. These adjustments could be material.

Management estimates that these funds will not be sufficient to meet the Company's obligations and budgeted expenditures through December 31, 2019. Any funding shortfall may be met in the future in a number of ways, including but not limited to, the issuance of new debt or equity instruments, expenditures reductions and/or the introduction of joint venture partners and/or business combinations. While Management has been successful in securing financing in the past, there can be no assurance it will be able to do so in the future or that these sources of funding or initiatives will be available for the Company or that they will be available on terms which are acceptable to the Company. If Management is unable to obtain new funding, the Company may be unable to continue its operations, and amounts realized for assets might be less than amounts reflected in these financial statements.

The Company's operating activities used $143,094 for the year ended December 31, 2018, having used $45,536 in 2017. The increase was mainly due to a decrease in account payable and accrued liabilities in 2018.

The Company is entitled to a refundable tax credit for resources of up to 38.75% of eligible expenses, and a credit on mining duties refundable for losses of 16% of 50% of eligible expenses incurred funded with non-tax renounced flow-through funds.

FINANCING

The Company did not complete any financing during the 2018 and 2017 fiscal years.

DIVIDEND POLICY

The Company has not declared any cash dividend on its outstanding common shares since incorporation. Any dividend payment will depend on the Company's financial requirements for its exploration and evaluation programs, its level of growth and other factors deemed pertinent by the Board of Directors under the circumstances. It is unlikely that a dividend will be paid in the foreseeable future.

QUARTERLY FINANCIAL INFORMATION

The following table contains selected financial information for the last eight quarters:

	Q4 2018	**Q3 2018**	**Q2 2018 (ii)**	**Q1 2018**	**Q4 2017 (i)**	**Q3 2017**	**Q2 2017**	**Q1 2017**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Net income (net loss)	(15,723)	(28,966)	6,299	(12,308)	35,862	(47,207)	(96,475)	(33,048)
Basic and diluted net income (net) loss per share	0.000	0.000	0.000	0.000	0.001	(0.000)	(0.002)	(0.001)

i) The net income resulted mainly from the $77,670 write-off of the Part XII.6 tax in 2017.
ii) The net income resulted mainly from the $57,809 gain on the settlement of accounts payable and accrued liabilities in 2018.

FOURTH QUARTER

Quarter ended December 31:

	2018	2017
	$	$
Expenses		
General and administrative expenses	(11,591)	(23,207)
Part XII.6 tax	-	77,670
Loss on write off of account payable and accrued payable	(2,976)	(39,613)
Tax credit (expenses)	-	(35,588)
Net loss	(14,567)	(20,738)
Basic and diluted net loss per share	(0.005)	(0.007)

For the fourth quarter ended December 31, 2018, general and administrative expenses consisted of $11,591 recovery due to a reduction in consultant fees, compared to $23,207 in 2017.

Consequently, the Company recorded a net loss of $14,567 in the fourth quarter of 2018, compared to $20,738 in 2017.

OFF-BALANCE-SHEET ARRANGEMENTS

The Company has no off-balance-sheet arrangement.

RELATED PARTY TRANSACTIONS AND COMPENSATION OF KEY MANAGEMENT

Related party transactions

During the years ended December 31, 2018 and 2017, the Company concluded transactions with related parties. The following expenses consist mainly of professional and consulting fees:

	2018	2017
	$	$
Officers/directors or corporations held by officers/directors		
Professional fees	6,829	74,725

Compensation of key management

Key management includes directors and officers of the Company. The compensation paid or payable to key management is presented below:

	2018	2017
	$	$
Officers and directors' professional fees	6,829	74,725

Payment terms are the same as for the other suppliers of the Company. As at December 31, 2018, accounts payable and accrued liabilities included an amount of $27,397 ($55,650 as at December 31, 2017) payable to related parties.

These transactions occurred in the normal course of business.

STOCK OPTION PLAN

The stock option plan was designed to enable the Company to use shares as a means of retaining, motivating and compensating beneficiaries for their efforts they invest in achieving the Company's goals.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of financial statements in conformity with IFRS requires Management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. There is a full disclosure and description of the Company's critical accounting policies, estimates, judgments and assumptions in the financial statements as at December 31, 2018 in Notes 2, 3 and 4.

OUTSTANDING SHARE INFORMATION

	As at April 25, 2019
	Number
Common shares	6,219,065
Warrants	3,100,000
Total number of common shares on a fully diluted basis	**9,319,065**

FINANCIAL INSTRUMENTS

Financial risk factors

The Company is exposed to various financial risks resulting from both its activities and investments. The Management Company manages the financial risks. The Company does not use transactions in financial instruments, including derivative financial instruments for speculative purposes. Exposure of the Company to key financial risks and financial policies in this area are described in the annual financial statements of December 31, 2018, in Note 10.

RISK AND UNCERTAINTIES

Going concern risk

The Company and its mineral exploration and evaluation programs are at an early stage and the Company has no source of income. The Company relies upon its ability to secure significant additional financing to meet the minimum capital required to successfully complete its main project and continue as a going concern. While the Company has been successful at raising funds through equity offerings in the past, there is no assurance that it will be able to do so in the future nor that adequate financing will be available to the Company or that the terms of such financing will be favourable. Should the Company not be able to obtain such financing, its ability to pursue its exploration and evaluation program and retain its mineral properties could be impaired.

Operational risks facing exploration and evaluation mining projects

The Company is at an exploration stage. Exploration and mining activities are subject to a high level of risk. Few exploration properties reach the production stage. Unusual or unexpected formations, fires, power failures, labour conflicts, floods, rockbursts, subsidence, landslides and the inability to locate the appropriate or adequate manpower, machinery or equipment are all risks associated with mining activities and the execution of exploration programs. Failure to address these risks may reduce the profitability of the operation or altogether prevent the property from being developed.

Resource development risks

The development of resource properties is subject to many factors, including the cost of mining, variations in the material mined, fluctuations in the commodities and exchange markets, the cost of processing equipment and other factors such as aboriginal claims, government regulations including, in particular, regulations on royalties, authorized production, importation and exportation of natural resources and environmental protection. Depending on the price of the natural resources produced, the Company may decide not to undertake or continue commercial production. Failure to address these risks may reduce the profitability of the operation or altogether prevent the property from being developed.

Exploration (geological) risk

The probability of an individual prospect ever having reserves that meet the requirements of National Instrument 43-101, Standards of Disclosure for Mineral Projects is extremely remote. Most exploration and evaluation projects do not result in the discovery of ore. In all probabilities, the majority of the properties do not contain any reserves and any funds spent on exploration and evaluation will probably be lost.

Commodity risk

The market for iron, titanium, vanadium, zinc, copper, silver, gold, like any other mineral, can be affected by factors beyond the Company's control. Commodity prices have fluctuated widely, particularly in recent years. The impact of these factors cannot be accurately predicted, however low commodity prices may reduce the profitability of the operation or altogether prevent a property from being developed.

Environmental and other regulations

Current, possible or future environmental legislation, regulations and measures may entail unforeseeable additional costs, capital expenditures, restrictions or delays in the Company's activities. The requirements of the environmental regulations and standards are constantly re-evaluated and may be considerably increased, which could seriously hamper the Company or its ability to develop its properties economically. Before a property can enter into production, the Company must obtain regulatory and environmental approvals. There can be no assurance that such approvals will be obtained or that they will be obtained in a timely manner. The cost related to assessing changes in government regulations may reduce the profitability of the operation or altogether prevent a property from being developed. The Company considers that it is in material compliance with the existing environmental legislation.

Financing and development

The Company has incurred losses to date and does not presently have the financial resources required to finance its planned exploration, evaluation and development programs. Development of the Company's properties therefore depends on its ability to obtain the additional financing required. There can be no assurance that the Company will succeed in obtaining the required funding. Failure to do so may lead to substantial dilution of its interests (existing or proposed) in its properties. The inability to attract sufficient financing and or experienced personnel may negatively affect the profitability or the viability of a project. Future financing may take a variety of forms, the nature and conditions of which cannot be reliably predicted. Debt financing may include restrictive covenants. Equity issuances may have a dilutive effect on current shareholders. Management is continually working to secure the necessary financing needed to achieve the objectives of Company.

Personnel risk

The Company has limited experience in developing a resource property, and its ability to do so will depend on the use of experienced people or in the signature of agreements with major resource companies that can produce such expertise.

INFORMATION COMMUNICATION CONTROLS AND PROCEDURES

In accordance with *National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings* (“NI 52-109”), the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the audited annual financial statements and respective accompanying Management’s Discussion and Analysis.

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certification includes a “Note to Reader” stating that the CEO and CFO do not make any representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

ADDITIONAL INFORMATION AND CONTINUOUS DISCLOSURE

This management discussion and analysis is dated April 25, 2019, and complies with Canadian Securities Administrators, National Instrument 51-102 on continuous disclosure. The purpose of this management discussion and analysis is to help the reader understand and assess the material changes and trends in the Corporation’s results and financial position. It presents Management’s perspective on the Company’s current and past activities and financial results, as well as an outlook of activities planned for the coming months. The Corporation regularly discloses additional information through press releases and other reports filed on SEDAR: www.sedar.com.

(signed) Tyson King
Tyson King
President and Chief Executive Officer

(signed) Marcel Bergeron
Marcel Bergeron
Chief Financial Officer