MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2017

DATED MARCH 29, 2018

(Expressed in Canadian Dollars)

The following discussion and analysis of the financial position and results of operations for Giyani Metals Corp. (the "Company" or "Giyani") should be read in conjunction with the consolidated financial statements for the years ended December 31, 2017 and 2016. Those statements were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee. Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars.

Certain information and discussion included in this MD&A constitutes forward looking information. Readers are encouraged to refer to the cautionary notes contained in the section Forward-Looking Statements at the end of the MD&A.

Additional information and corporate documents may be found on SEDAR www.sedar.com, and the Giyani Metals Corp. website www.giyanimetals.com.

Company Overview

Giyani was incorporated under the Canada Business Corporations Act on July 26, 2007 and continued under the Business Corporations Act of British Columbia on August 4, 2010. The Company has focused its full attention to quickly advance its recently acquired manganese exploration stage assets within the Kanye Basin in south eastern Botswana, Africa (the Kanye Project). Management is building confidence through sound and methodical technical studies supported by independent laboratory chemical analysis that the accumulations and chemical composition of the manganese deposits within its property are unique and that it displays ideal grade and purity characteristics for the battery industry. The Company has commenced Phase 1 of its 2018 operational program, including geophysical surveys and a diamond drilling campaign at the K.Hill and Otse high grade manganese prospects in Botswana (see "Exploration and Evaluation Update" below). Previously the Company was engaged in the acquisition, exploration, evaluation and development of gold resource properties in South Africa and Canada. The registered address is Suite 403 - 277 Lakeshore Road East, Oakville, Ontario, L6J 6J3.

The Company trades on the TSX Venture Exchange ("TSXV") under the symbol "WDG".

The accompanying consolidated financial statements have been prepared using IFRS applicable to a "going concern", which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. The financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary should the going concern assumption be inappropriate, and those adjustments could be material. The Company will continue to pursue opportunities to raise additional capital through assets sales, equity markets and/or debt to fund investment in its exploration and evaluation assets; however, there is no assurance of the success or sufficiency of these initiatives.

The Company reported net loss of $1,324,009 for the year ended December 31, 2017 (2016– income of $351,048) and had an accumulated deficit of $29,832,854 at December 31, 2017 (2016 - $28,508,845).

Significant Events

Property Acquisitions

(i) On April 11, 2017, the Company announced the acquisition of six new prospecting licenses that encompass the past producing Kgwakgwe Hill Manganese Mine ("K. Hill") located in the Kanye Basin, Southeastern Botswana. Binding agreements were signed with Everbroad Investments (Pty) ("Everbroad") Limited and Marcelle Holdings (Pty) ("Marcelle") Limited to acquire an 88% interest in PL322/2016 (Kgwakgwe Hill License) and 100% interest in PL336/2016 to PL340/2016 (adjacent to K. Hill) inclusive by making cash payments totaling US$75,000 (paid).

(ii) On July 13, 2017, the Company signed a definitive agreement (the "Agreement") with Marcelle to acquire an 88% interest in seven prospecting licences (PL294/2016 to PL300/2016 inclusive) by making cash payments totaling BWP 980,000 Botswana Pula (paid). Additionally, the Agreement also includes the completion of the acquisition of 100% interest in five prospecting licences from Marcelle and 88% interest in one prospecting licence from Everbroad as mentioned above. The Agreement also includes the acquisition of 100% interest in Menzi Battery (Pty) Limited ("Menzi"), a company incorporated in accordance with the laws of Botswana, by issuing two million common shares of Giyani (issued).

(iii) On November 16, 2017, the Company announced the acquisition on an additional licence near the town of Lobatse ("The Lobatse Prospect"). The Lobatse Prospect is located 40 km east of the K. Hill Prospect. The Lobatse Prospect, along with the K. Hill prospect and the Otse Prospect near the town of Otse, are all located within the boundaries of the Kanye Project area.

All licences have an initial expiry date of December 31, 2019, except for the Lobatse Prospect licence which has an initial expiry date of December 31, 2020. The licences have minimum Botswana Pula expenditures of BWP25,450,000 by December 31, 2019 and BWP2,950,000 by December 31, 2020 and can be renewed prior to the initial expiry date.

Non-brokered Private Placements

(i) On March 14, 2017, the Company closed a non-brokered private placement of 3,521,572 units for total gross proceeds of $1,232,550. Each unit consisted of one common share of Giyani at a price of $0.35 per share and one half of a share purchase warrant exercisable at $0.70 for a period of 18 months from the date of issuance. Total transaction costs of $19,348 were incurred for the private placement including a finders' fee of $6,300.

(ii) On February 8, 2018, the Company closed a non-brokered private placement of 7,207,890 units issued at $0.275 per unit consisting of one common share and one-half of a common share purchase warrant. Each whole warrant is exercisable into a common share at an exercise price of $0.40 per share for a period of 18 months. In the event that the closing price per Common Share is more than $0.60 per Common Share for more than 20 consecutive trading days, the Company shall be entitled to accelerate the warrant expiry date to the date that is 30 days following the date on which the Company announces the accelerated warrant expiry date by press release.

In connection with the closing of the private placement, the Company paid certain finders a fee consisting of a cash payment of 7% of the proceeds such finders raised as well as 7% in finder's warrants ("Finder's Warrants"). The Finder's Warrants were issued on the same terms as the Warrants comprising the Units. As a result the Company paid finders fees of $43,374 and issued 157,723 Finder's Warrants.

Disposal of Canoe shares

On January 29, 2018, the Company sold 2,800,000 common shares of Canoe Mining Ventures Corp. ("Canoe") for proceeds of $350,000. As a result, the Company's ownership in Canoe decreased to 19.7%.

Officer Appointments

On May 1, 2017, the Company announced the appointment of Mr. Wajd Boubou to the position of President.

On November 28, 2017, the Company announced the appointment of Mr. Robin Birchall to the position of CEO and Director.

Name change

On July 17, 2017, the Company announced a name change from Giyani Gold Corp. to Giyani Metals Corp. to accurately reflect new business developments and marketing of its products.

Shares for debt settlement

On July 11, 2017, the Company issued 1,029,186 common shares in settlement of a total of $329,340 owing at a market price of $0.32 per share. 966,686 of these shares were issued to officers and directors of the Company in settlement of $309,340 owed.

Investor relations

On February 23, 2018, the Company announced the addition of Stockhouse to its existing network of investor relations partners and launches a comprehensive global marketing campaign with the objectives of marketing the Company, and articulating its plan to become a leading supplier of manganese to the battery market.

Corporate Update – South Africa

The Company's exploration permits expired on July 10, 2015. Prior to expiry, an application to extend for a three year retention permit was submitted to the Department of Mineral Resources (the "DMR"). This application was submitted by Giyani's partner CMR. At the time, no competing applications were submitted. The DMR confirmed receipt of the application on May 4, 2016. For accounting purposes, the Company continues to present the Rock Island Gold Project at $nil.

The Company continues to work towards to work towards recovering the funds owed to it by CMR, its joint venture partner on the Giyani Gold Project and options designed to realize the true value of the South Africa assets in an improved global gold market.

Exploration and Evaluation Update

Kayne Project - Botswana

On April 11, 2017, the Company announced the acquisition of six new prospecting licenses that encompass the past producing Kgwakgwe Hill Manganese Mine located in the Kanye Basin, Southeastern Botswana. Binding agreements have been signed with Everbroad Investments (Pty) Limited and Marcelle Holdings (Pty) Limited to acquire an 88% interest in PL322/2016 (Kgwakgwe Hill License) and 100% interest in PL336/2016 to PL340/2016 (adjacent to Kgwakgwe Hill) inclusive by making cash payments totaling US$75,000 (paid).

On July 13, 2017, the Company signed a definitive agreement (the "Agreement") with Marcelle to acquire an 88% interests in seven prospecting licences (PL294/2016 to PL300/2016 inclusive) by making cash payments totaling BWP 980,000 Botswana Pula (paid). Additionally, the Agreement also includes the completion of the acquisition of 100% interest in five prospecting licences from Marcelle and 88% interest in one prospecting licence from Everbroad as mentioned above. The Agreement also includes the acquisition of 100% interest in Menzi Battery (Pty) Limited, a company incorporated in accordance with the laws of Botswana by issuing two million common shares (issued) of Giyani. As of the date of this MD&A, all ministry approvals have been granted to transfer the licences ownership to Menzi.

The Kanye Project (formerly Kgwakgwe Hill project) covers a supergene system containing high-grade manganese nodules. Manganese ore mined from 1957 to 1967 at Kgwakgwe Hill consisted almost entirely of such high-grade manganese oxide nodules grading 40-50% total manganese (Source: Botswana Notes and Records, Vol.30, p. 147-156).

The deposit lies within the Kanye Basin, which is underlain by rocks of the Transvaal Supergroup ("Transvaal"). The Transvaal hosts roughly 80% of the world's manganese reserves and has been identified in Botswana both under cover beneath Kalahari sands and in local outcrop within the project area. This deposit is of particular interest to Giyani because it is proof of concept that manganese deposits exist in Botswana and that the manganese displays simple yet ideal chemical compositions and grade characteristics that would be attractive to battery manufacturers.

The Kanye Project is active and Giyani believes a sizable high grade manganese deposit can be quickly advanced to production providing feedstock to battery technology manufacturers.

On June 13, 2017, Giyani announced the results of its initial surface sampling program which confirmed high grade mineralized shale grading 58-61% manganese oxide ("MnO"). Photos of the sample areas, the associated maps and a complete table of all sample results can be seen on Giyani's website at www.giyanimetals.com.

On July 19, 2017, Giyani announced the results of its phase II regional mapping and sampling program currently underway.

Different lithologies were sampled to test both the grade of mineralization as well as background manganese values in the host rock. The manganiferous shale unit ("Mn-Shale"), from the well known Kgwakgwe Hill Shale formation, is considered the main target. Mineralization styles vary from laminated to massive to botryoidal. Analyses of the Mn-Shale sampled from Kgwakgwe Hill ("K.Hill") thus far covers approximately 500 meters along strike. Sampling is still underway, and the same shale unit will be sampled towards the south of the historic mine site.

33 samples were taken at K.Hill. These are associated with the Mn-Shale which is an iron enriched unit, up to 10 meters thick. These 33, along with 21 duplicates assayed between 46% to 64% MnO, with two samples under 40%, and an average grade of 53.9% MnO. An interpreted fault zone unit has been mapped at K.Hill. This fault zone contains the botryoidal type mineralization while the host lithology has been deformed and altered to a massive, typically iron enriched unit. "Nodules" of Mn-minerals showing botryoidal habit returned MnO grade of up to 73%. Sampling continues within an initial 1km by 1km envelope around the historical mine site. Images indicating the different styles of mineralization and the complete table of all sample results can be seen at the Giyani's website at www.giyanimetals.com.

On August 10, 2017, Giyani announced it has discovered and confirmed a second high grade manganese prospect near the town of Otse (the "Otse" prospect") that graded up to 67.4% MnO during the phase II regional mapping and sampling program, with an average grade of 48.1% MnO. The Otse prospect is located 40 km east of the previously reported historical mine site at K.Hill. A total of 50 unique grab samples and 3 duplicates were collected from the Otse prospect and submitted to SGS South Africa (PTY) LTD laboratories in Randburg, South Africa. Full assay results from these samples can be seen at the Giyani's website at www.giyanimetals.com.

On September 28, 2017, Giyani announced assay results from the third batch of samples collected from its Otse and K.Hill prospects within the Kanye Project in Botswana. A total of 95 grab samples were collected and submitted to SGS South Africa (PTY) LTD laboratories in Randburg, South Africa.

Mineralization at the Otse prospect occurs within a chert breccia unit, typically found stratigraphically on top of manganiferous, silicified, and ferruginous shale units. The habit of mineralization is nodule-like and sometimes massive. This chert breccia unit at Otse is highly variable in thickness, ranging from 2-3 meters up to 15 meters. The lab results indicate a similar grade of manganese to the manganiferous shale unit sampled at the K.Hill Prospect, however with slightly higher silica. Continuity between these two occurrences (Otse and K.Hill) will be tested during an upcoming drilling program.

MnO grades of the 37 samples collected from Otse range from 11.9% to 76.1% (excluding two samples from the unmineralized hangingwall with 1.08% and 3.85% MnO). The 58 samples from the K.Hill Prospect were collected from a unit close to the interpreted fault zone. These samples have graded between 11.9% and 65.6% MnO. Full assay results from these samples can be seen at the Giyani's website at www.giyanimetals.com.

On November 16, 2017, the Company announced the discovery of a third high grade manganese prospect near the town of Lobatse ("The Lobatse Prospect") that graded up to 75.4% manganese oxide. The Lobatse Prospect is located 30 km south of the Otse Prospect and roughly 40 km east of the K. Hill Prospect. All three prospects are located within the boundaries of the larger, manganese rich, Kanye Project area. Giyani was granted the Lobatse licence during the execution of its recent regional sampling and mapping program where high grade manganese continued to show occurrences up to the southern border of licence #PL298/2016.

On December 7, 2017, the Company announced positive metallurgical testing results, performed by Dalhousie Minerals Engineering Centre in Halifax, Nova Scotia, Canada, from the manganese oxide bearing rocks sampled at the K.Hill Prospect. Of significance, manganese nodule type material, abundant at K.Hill, can be easily treated using a trammel/gravity/washing process. Manganese found in staining and veins environments suggest only a light grind is required making it physically amenable to hydrometallurgical processes. Hydrometallurgical processing takes the product to a grade higher than 99.7% manganese in the form of electrolytic manganese dioxide (EMD) suitable for the battery industry. As well, the results include positive indications that the percentage of deleterious elements in the rock does not affect quality or recovery. It is recommended that additional testing be performed to determine the recovery of manganese nodules through a screening, washing and/or gravity separation system and that the remainder of the manganese be tested for recovery and purity using hydrometallurgical processes.

On March 15, 2018, the Company announced the commencement of Phase 1 of its 2018 operational program, including geophysical surveys and a diamond drilling campaign at the K.Hill and Otse Prospects in Botswana. Work has begun on assessing the historical data and geophysical results are expected in the second quarter of 2018. Once targets have been identified the diamond drilling program will commence with the aim of producing a maiden resource early in the third quarter of 2018.

The following table shows the continuity of the acquisition costs and expenditures incurred on the Kanye Project:

	Kanye Project ($)
Balance, December 31, 2016	**nil**
Acquisition costs	965,241
Current expenditures	123,488
Balance, December 31, 2017	**1,088,729**

Roger Moss, Ph.D., P.Geo, is the qualified person, as that term is defined by National Instrument 43-101, on behalf of the Company and has approved the scientific and technical content contained in the above discussion about Kanye Project except for the July 19, 2017 and December 7, 2017 results above where Ian Flint, Ph.D., P.Eng is the qualified person and has approved the scientific and technical content contained in the above discussion.

Rock Island Project – South Africa

Pursuant to the joint operation agreement relating to the assets of Rock Island, the Company funds the joint operation with CMR on a 50:50 basis, whereby both parties are to share the costs evenly on an ongoing basis. Exploration costs are recorded in a loan account where interest is accrued at an agreed upon rate. This loan will be repaid out of proceeds from the sale of the Rock Island asset. The loan is unsecured, with no fixed repayment terms and bears interest at South African prime +1%. As at December 31, 2017, the Company had advanced $1,748,823 to Rock Island for exploration work.

The Company's exploration permits expired on July 10, 2015. Prior to expiry, an application to extend for a three year retention permit was submitted to the DMR. This application was submitted by Giyani's partner CMR. At the time, no competing applications were submitted. The DMR confirmed receipt of the application on May 4, 2016. For accounting purposes, the Company continues to present the Rock Island Gold Project at $nil.

The Company continues to work towards recovering the loan receivable (approximately $735,000) owed to it by CMR, its joint venture partner on the Rock Island Gold Project. Given the uncertainty of collectability, no amounts have been setup as receivable in the consolidated financial statements.

Results of Operations

Selected Annual Information

The following table provides selected annual information that should be read in conjunction with the audited financial statements of the Company:

For the year ended	December 31, 2017	December 31, 2016	December 31, 2015
Revenue	$ -	$ -	$ -
Net (income) loss	1,324,009	(351,048)	11,704,170
Net (income) loss per share	0.02	(0.01)	0.19
Total assets	2,197,453	1,052,187	1,505,842
Total shareholders' equity (deficiency)	1,687,139	(181,636)	(944,492)

Selected Quarterly Financial Information

The following table summarizes information derived from the Company's consolidated financial statements for each of the eight mostly recently completed quarters:

Three months ended	Total Revenues	Net (Income) Loss	(Income) Loss per Share (basic and diluted)
December 31, 2017	$ -	$ 415,072	$ 0.01
September 30, 2017	-	229,984	0.00
June 30, 2017	-	443,247	0.01
March 31, 2017	-	235,706	0.00
December 31, 2016	-	(595,749)	(0.01)
September 30, 2016	-	82,822	0.00
June 30, 2016	-	(79,644)	(0.00)
March 31, 2016	-	241,523	0.00

Results of Operations for the year ended December 31, 2017 compared to 2016

The Company had a net loss of $1,324,009 for the year ending December 31, 2017, compared to income of $351,048 for the previous year.

Corporate, general and administration expenses increased from $1,171,822 for the year ended December 31, 2016 to $1,474,303 for the current year. This is due to increased stock based compensation, due to options granted in the period, and increased shareholder information expenses, due to the increased activity of the Company. This was partially offset by a decrease in general and administrative expenses.

Non-recurring income and expenses included gain on debt settlement of $323,044. In comparison, for the year ended December 31, 2016, non-recurring income and expenses included gain on disposition of exploration and evaluation assets of $310,605, gain on debt settlement of $122,136, gain on marketable securities of $490,909 and gain on deconsolidation of $741,285.

Results of Operations for the three months ended December 31, 2017 compared to 2016

The Company had a net loss of $415,072 for the three months ending December 31, 2017, compared to income of $595,749 for the previous period.

Corporate, general and administration expenses increased from $117,228 for the three months ended December 31, 2016 to $417,528 for the three months ended December 31, 2017. This is due to increased stock based compensation, due to options granted in the period, and increased shareholder information expenses, due to the increased activity of the Company. This was partially offset by a decrease in general and administrative expenses.

Non-recurring income and expenses included gain on debt settlement of $21,437 for the three months ended December 31, 2017. Non-recurring income and expenses for the three months ended December 31, 2016 included gain on debt settlement of $52,275, gain on deconsolidation of $741,285 and gain on marketable securities of $32,932.

Trend

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. During the current period, equity markets in Canada continued its signs of improvement, with equities increasing during this period. Strong equity markets are favourable conditions for completing a public merger, financing or acquisition transaction. Apart from those noted in the commitment section below and the risk factors noted under the heading "Risk Factors", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations. See "Risk Factors" below.

Liquidity, Capital Resources and Going Concern

The Company is subject to the risks and challenges experienced by other companies at a comparable stage. These risks include, but are not limited to, continuing losses, dependence on key individuals and the ability to secure adequate financing or to complete corporate transactions to meet the minimum capital required to successfully complete its projects and fund other operating expenses. Advancing the Company's projects through exploration and development to the production stage will require significant financings.

None of the Company's projects have commenced commercial production and, accordingly, the Company is dependent upon debt and/or equity financings and the optioning and/or sale of resource or resource-related assets for its funding. The recoverability of the carrying value of exploration and evaluation projects, and ultimately the Company's ability to continue as a going concern, is dependent upon exploration results which indicate the potential for the discovery of economically recoverable reserves and resources, and the Company's ability to finance exploration of its projects through, marketable securities sales, debt and/or equity financings and the optioning and/or sale of resource or resource-related assets such as royalty interests for its funding.

The Company reported a net loss of $1,324,009 for the year ended December 31, 2017 (2016 – income of $351,048) and has an accumulated deficit of $29,832,854 (December 31, 2016 - $28,508,845).

The Company's consolidated financial statements have been presented on the basis that the Company will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of the business. As of December 31, 2017, the Company had a working capital deficit of $56,447 compared to a working capital deficit of $1,008,204 as at December 31, 2016.

Management is continuing to actively pursue strategies to realize on the potential of its assets or secure additional financings in order to funds its operations. The Company intends to seek equity financings through private placements and/or public offerings. While the Company has been successful in securing equity financings, there is no assurance of the success or sufficiency of any future financings.

As at the date of this MD&A, the Company had 4,900,000 stock options with exercise prices between $0.10 to $0.35, 5,522,451 warrants with exercise prices between $0.40 to $0.70 which, if all exercised, would result in total cash proceeds of $4,047,466. There is no assurance that these exercises will occur.

Commitments

Break Fee Receivable

On October 14, 2015, the Company signed a letter of intent ("LOI") with Crystal Capital Wealth Corporation ("Crystal"). The LOI proposes a transaction pursuant to which the Company would acquire all the issued and outstanding securities of Crystal by means of a Reverse Takeover and Change of Business (the "Transaction").

On March 31, 2016, the Company and Crystal terminated the indicative LOI as it has expired. Under the terms of the Agreement, Giyani is entitled to and will pursue collecting the US$250,000 break fee. Crystal loaned the Company $35,000 which will be deducted from the break fee owing. Given the uncertainty of collectability, no amounts have been setup as receivable in the consolidated financial statements.

Loan Receivable

The Company continues to work towards recovering the funds (approximately $735,000) owed to it by Corridor Mining Resources ("CMR"), its joint venture partner on the Rock Island Gold Project. Given the uncertainty of collectability, no amounts have been setup as receivable in the consolidated financial statements.

European Financial Markets Consulting and Service Agreement

On November 1, 2017, the Company signed an European Financial Markets Consulting and Service Agreement ("Agreement") with Deutche Gesellschaft Fur Wertpapieranalyse GMBH ("DGWA") to engage DGWA to re-design and translate all presentation materials including webpages, fact sheets and investor presentations into the German language, to translate and distribute press release on behalf of the Company, to include the Company in DGWA's sector activities on its website and newsletters, to position the Company in the German speaking media environment and to assist the Company to present to German speaking retail and institutional investors. The term of this Agreement is 12 months and for the services rendered by DGWA under this Agreement, the Company shall pay to DGWA $5,000 per month.

Commitments to Management Compensation

During the year ended December 31, 2017, the Company signed three consulting agreements with each of the President, CEO and Executive Chairman of the Company. Under the agreements, which each may be extended for one additional year, the Company is committed to the following minimum payments:

2017	$438,000
2018	300,833
	$738,833

As part of the agreements, in the event of a change of control, the Company shall pay the consultants a lump sum payment equal to 12 months compensation, which totals $498,000.

Future Accounting Pronouncements

IFRS 9 — Financial instruments ("IFRS 9") was updated by the IASB in November 2009 and will replace part of IAS 39 - Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 addresses the classification and measurement of financial assets. The two measurement categories for financial assets include amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is recorded at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is recorded at fair value through profit or loss.

Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, Financial Instruments — Recognition and Measurement, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The Company does not expect adoption to have any material impact.

IFRS 16 - Leases ("IFRS 16") was issued on January 13, 2016 and replaces IAS 17 – Leases as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right-of-use asset at cost less accumulated depreciation and accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognize the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise it is an operating lease. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted if IFRS 15 has also been applied.

IFRS 15 - Revenue from Contracts with Customers. The standard is effective for annual periods beginning on or after January 1, 2018. IFRS 15 specifies how and when to recognize revenue as well as requires entities to provide users of financial statements with more informative, relevant disclosures. The standard supersedes IAS 18 - Revenue, IAS 11 - Construction Contracts, and a number of revenue related interpretations. The new standard will apply to nearly all contracts with customers; the main exceptions are leases, financial instruments and insurance contracts.

Critical Accounting Estimates

The Company performed an analysis of risk factors which, if any should realize, could materially and adversely affect the results, financial position and/or market price of its securities.

The preparation of financial statements in conformity with IFRS requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses and other income for the year. These estimates and assumptions were based on Management's knowledge of the relevant facts and awareness of circumstances, having regard to prior experience. Significant estimates and assumptions include the following:

(i) Recoverability of exploration and evaluation properties

Management will consider the economics of its exploration and evaluation assets, including the drill and geophysical results. Where an indicator of impairment exists, management will perform an impairment test and if the recoverable amount is less than the carrying value, record an impairment charge.

(ii) Stock-based compensation

Management is required to make certain estimates when determining the fair value of stock option awards and compensatory warrants. These estimates require the input of highly subjective assumptions including the expected price volatility and the number of awards that are expected to vest. These estimates affect the amount recognized as stock-based compensation in the statements of (income) loss based on estimates of forfeiture and expected lives of the underlying stock options and the value attributed to warrants issued as compensation for assets.

(iii) Other accounting estimates and judgments

Other estimates and judgments included the benefits of future income tax assets and whether or not to recognize the resulting assets on the statement of financial position and determinations as to whether exploration costs should be expensed or capitalized.

While Management believes that these estimates and judgments are reasonable, actual results may differ from the amounts included in the consolidated financial statements.

Off-Balance Sheet Arrangements

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

Related Party Transactions

Remuneration of directors and key management personnel of the Company was as follows:

Management and consulting fees of $310,777 (year ended December 31, 2016 - $308,500) were paid or accrued to officers and directors of the Company or to companies controlled by officers or directors of the Company during the year ended December 31, 2017.

The Chief Financial Officer ("CFO") of the Company is a senior employee of Marrelli Support Services Inc. ("MSSI"). During the year ended December 31, 2017, the Company paid or accrued professional fees of $32,226 (year ended December 31, 2016 - $29,453) to MSSI. These services were incurred in the normal course of operations for general accounting and financial reporting matters. MSSI also provides bookkeeping services to the Company. As at December 31, 2017, MSSI was owed $5,970 (December 31, 2016 - $2,917) with respect to services provided. The balance owed was recorded in the consolidated statement of financial position as amounts due to related parties.

As at December 31, 2017, the Company owed $91,212 (December 31, 2016 - $660,956) to directors and officers of the Company and entities controlled by or associated with directors and officers of the Company. These amounts were included in due to related parties. During the year ended December 31, 2017, an amount owing to an officer of $300,879 was forgiven.

An officer and director of the Company subscribed for 205,714 units in the March 14, 2017 private placement for gross proceeds of $72,000.

On July 11, 2017, the Company issued 966,686 of common shares of the Company to officers and directors of the Company in settlement of $309,340 owed.

During the year ended December 31, 2016, the Company sold 2,910,000 Canoe shares to the former Chief Executive Officer ("CEO") of the Company in settlement of $87,300 debt owed to him. The transaction resulted in a disposition of 5.8% of the total shares outstanding of Canoe.

As at December 31, 2017, the Company had $96,814 (December 31, 2016 - $82,203) receivable from Canoe.

Additional remuneration of officers and directors of the Company was as follows:

	2017	2016
Stock-based compensation	$ 537,165	$ 261,404

Outstanding Share Data

As at the date of this MD&A the following equity instruments are outstanding:

	Range of Exercise Prices	Number of shares issued or issuable
Common shares		81,779,628
Stock options	$0.10 - $0.35	4,900,000
Warrants	$0.40 - $0.70	5,522,451

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and sustain future development of the business. The capital of the Company consists of equity.

The Company manages its capital structure and makes adjustments in light of the changes in its economic environment and the risk characteristics of the Company's assets. To effectively manage the Company's capital requirements, the Company has in place planning, budgeting and forecasting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. With the exception of commitments detailed in note 17 to the consolidated financial statements for the year ended December

31, 2017, there were no externally imposed capital requirements to which the Company is subject as at December 31, 2017. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the Exchange which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of December 31, 2017, the Company is compliant with known requirements other than Policy 2.5 of the TSX Venture Exchange. The Company continues to evaluate various options in order to meet the capital requirement imposed by Policy 2.5 of TSX Venture Exchange. There can be no assurance that the Company's financing activities will be successful or sufficient.

Financial instruments and risk management

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quotes prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair values

The Company's cash is comprised primarily of current deposits held with a Canadian chartered bank. Funds held in trust consists of cash held in trust by the Company's lawyer, received by the Company subsequent to December 31, 2017. The fair value of cash and funds held in trust approximate their carrying value due to their short-term nature.

The Company's risk exposure and the impact on the financial instruments are summarized below:

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk includes cash, funds held in trust and amounts due from related party.

The Company reduces its risk on cash by maintaining its bank accounts at large Canadian financial institutions.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet its liabilities when they come due. The Company manages its liquidity risk by forecasting cash flows required by operations to and anticipated investing and financing activities. The Company's financial obligations currently consist of accounts payable and accrued liabilities, and amounts due to related parties. The carrying value of the accounts payable, accrued liabilities and amounts due to related parties approximates fair value as they are short term in nature.

The Company had cash at December 31, 2017 of $97,682 (December 31, 2016 - $94,010) and funds held in trust of $139,497 (December 31, 2016 - $nil). As at December 31, 2017, the Company had accounts payable and accrued liabilities and amounts due to related parties of $403,371 (December 31, 2016 - $1,233,823).

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

a) Interest Rate Risk

The Company's cash consists of cash held in bank accounts that earn interest at variable interest rates. Future cash flows from interest income on cash will be affected by interest rate fluctuations. Due to the short-term nature of these financial instruments fluctuations in market rates do not have a significant impact on estimated fair values. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity. The interest income earned on cash is minimal; therefore, the Company is not subject to material interest rate risk.

b) Foreign Currency Risk

The Company is exposed to foreign currency risk of the South African Rand, Botswana Pula and United States dollar. Based on the net exposure at December 31, 2017, a 10% depreciation or appreciation of the South African Rand, Botswana Pula and United States dollar against the Canadian dollar would not be significant.

c) Other Price Risk

Other price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to any other price risk.

Risk Factors

Prior to making an investment decision investors should consider the investment risks set out in the Annual Information Form ("AIF"), located on SEDAR at www.sedar.com, which are in addition to the usual risks associated with an investment in a business at an early stage of development. The directors of the Company consider the risks set out in the AIF to be the most significant to potential investors in the Company, but are not all of the risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Directors are currently unaware, or which they consider not to be material in relation to the Company's business, actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment relating to the Company.

Internal Controls over Financial Reporting

Disclosure Controls and Procedures ("DC&P")

The Company has established disclosure controls and procedures to ensure that information disclosed in this MD&A and the related consolidated financial statements was properly recorded, processed, summarized and reported to the Company's Board and Audit Committee. The Company's certifying officers conducted or caused to be conducted under their supervision an evaluation of the disclosure controls and procedures as required under Canadian Securities Administration regulations, as at December 31, 2017. Based on the evaluation, the Company's certifying officers concluded that the disclosure controls and procedures were effective to provide a reasonable level of assurance that information required to be disclosed by the Company in its annual filings and other reports that it files or submits under Canadian securities legislation is recorded, processed, summarized and reported within the time period specified and that such information is accumulated and communicated to the Company's management, including the certifying officers, as appropriate to allow for timely decisions regarding required disclosure.

It should be noted that while the Company's certifying officers believe that the Company's disclosure controls and procedures provide a reasonable level of assurance and that they are effective, they do not expect that the disclosure controls and procedures will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Internal Control over Financial Reporting ("ICFR")

The Company's certifying officers acknowledge that they are responsible for designing internal controls over financial reporting, or causing them to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the consolidated financial statements for external purposes in accordance with IFRS.

The Company did not have any significant changes to its ICFR systems from the date of its last Annual MD&A.

Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that any disclosure controls and procedures or internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control.

The design of any systems of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

Forward-Looking Statements

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

Forward-looking statements	Assumptions	Risk factors
The Company will be able to continue its business activities.	The Company has anticipated all material costs and the operating activities of the Company, and such costs and activities will be consistent with the Company's current expectations; the Company will be able to obtain equity funding when required.	Unforeseen costs to the Company will arise; any particular operating cost increase or decrease from the date of the estimation; and capital markets not being favourable for funding resulting in the Company not being able to obtain financing when required or on acceptable terms.
The Company will be able to carry out anticipated business plans.	The operating activities of the Company for the twelve months ending December 31, 2018, will be consistent with the Company's current expectations.	Sufficient funds not being available; increases in costs; the Company may be unable to retain key personnel.

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

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