CBLT INC.
(the “Company”)
Management’s Discussion and Analysis
For the Nine Month Period Ended February 28, 2018

General

The following discussion and analysis should be read in conjunction with the Company's financial statements for the period ended February 28, 2018 (unaudited) and the year ended May 31, 2017 (audited) including all notes, risk factors and information contained therein. The following discussion and analysis provides information that management believes is relevant to the assessment and understanding of the Company's results of operations and financial condition. Certain statements herein contain forward-looking statements relating to the operations or to the environment in which we operate, which are based on our operations, forecasts, and projections.

Forward Looking Information

Certain information regarding the Company within Management's Discussion and Analysis ("MD&A") may include "forward-looking statements" within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical facts, included in this MD&A that address activities, events or developments that the Company expects or anticipates will or may occur in the future, including such thing as future business strategy, goals, expansion and growth of the Company's business, plans and other such matters are forward-looking statements. When used in this MD&A the words "estimate", "plan", "anticipate", "expect", "intend", "believe" and similar expressions are intended to identify forward-looking statements. Such statements by their nature involve certain risks and uncertainties that could cause actual results to differ materially from those contemplated by such statements. The Company considers the assumptions on which these forward-looking statements are based to be reasonable at the time they were prepared but cautions the reader that these assumptions regarding future events, many of which are beyond the control of management, may ultimately prove to be incorrect. The reader should not rely solely on these forward-looking statements.

Date

This Management's Discussion and Analysis ("MD&A") is dated April 26, 2018 and is in respect of the three months ended February 28, 2018.

Nature of Business

CBLT Inc. was incorporated under the Canada Business Corporations Act on April 28, 2008 and was continued under the Ontario Business Corporations Act April 28, 2017. The Company's fiscal year end is May 31.

The Company is a public company engaged in the acquisition, directly and indirectly, sale, and exploration of mineral properties in Canada.

Overview of Activities

During the period, the Company acquired the MacTrack property, carried out exploration and evaluation expenditures on several of its properties, and sold and/or optioned several exploration and evaluation claims.

Financing

During the period the Company received cash from equity financing in the amount of $557,400 and incurred cash commissions of $22,750. In addition, the Company received cash proceeds of $66,952 from the sale and/or optioning of several mineral claims.

Results of Operations

During the three month period ended February 28, 2018, the Company recorded net loss and comprehensive loss of $(8,723), or $(0.00) per share, compared to a net loss and comprehensive loss of $(94,721), or $(0.00) per share for the three month period ended February 28, 2017. Filing and transfer agent expenses were $5,449 (2017 - $7,709) reflecting less activity related to financings during the period. General and administrative expenses for 2018 were higher by $17,748 than those incurred in 2017, the major components of which were an increase in marketing related expenses of $11,953, an increase in investor relations of $2,000, and an increase in office and general of $3,000..

Liquidity and Capital Resources

As at February 28, 2018, the Company had cash in the amount of $172,111 (May 31, 2017 - $61,716). The Company has working capital of $134,919 (May 31, 2017 - $(187,869)).

The Company needs equity capital and financing for its working capital and for the costs of exploration and development of its properties. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms favourable to the Company. These material uncertainties cast significant doubt upon the Company's ability to continue as a going concern. These financial statements have been prepared on a going concern basis that assumes the Company will be able to continue to realize its assets and discharge its liabilities and commitments in the normal course of business. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

The Corporation will continue to seek additional financing as required to fund exploration activities with respect to its mineral properties and to fund general administrative costs.

Selected Financial Information

	Three Months Ended February 28, 2018	Three Months Ended February 28, 2017	Three Months Ended February 29, 2016
Net Income (Loss)	**$ (8,723)**	$ (94,721)	$ (25,595)
Net Income (Loss) per Share	**$ (0.00)**	$ (0.00)	$ (0.00)
Total Assets	**$ 1,294,221**	$ 818,808	$ 570,458
Total Liabilities	**$ 280,909**	$ 307,243	$ 345,085

Quarterly Information (unaudited)

	February 28, 2018	November 30, 2017	August 31, 2017	May 31, 2017
Net income (loss)	$ (8,723)	$ (132,691)	$ (112,335)	$ (212,790)
Weighted average number of shares outstanding, basic and diluted	48,792,813	48,541,954	46,848,886	40,096,228
Net income (loss) per share	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.01)
Total assets	$ 1,294,221	$ 1,331,671	$ 1,450,328	$ 1,132,851
Total liabilities	$ 280,909	$ 242,746	$ 268,786	$ 340,373

	February 28, 2017	November 30, 2016	August 31, 2016	May 31, 2016
Net income (loss)	$ (94,721)	$ (109,089)	$ (96,541)	$ (139,627)
Weighted average number of shares outstanding, basic and diluted	38,094,540	35,157,961	35,157,961	30,424,731
Net income (loss) per share	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
Total assets	$ 818,808	$ 806,117	$ 809,900	$ 606,896
Total liabilities	$ 307,243	$ 291,527	$ 275,929	$ 331,900

Mineral Property Interests

<u>Ontario & Quebec Properties</u>

	Geneva Lake	Copper Prince	Dryden Cobalt	Chilton Cobalt	Gowganda Cobalt	Otto Lake	MacTrack	Total
Acquisition Costs								
Balance, February 29, 2016	$ 24,721	$ -	$ -	$ -	$ -	$ -		$ 24,721
Incurred during the period	-	35,056	19,050	-	-	-		54,106
Balance, February 28, 2017	**$ 24,721**	**$ 35,056**	$ **19,050**	$ -	$ -	$ -		**$ 78,827**
Exploration Expenditures								
Balance, February 29, 2016	316,489	-	-	-	-	-		316,489
Prospecting	-	38,398	-	-	-	-		38,398
Diamond drilling	-	44,363	-	-	-	-		44,363
Geology	-	82,877	-	-	-	-		82,877
Geophysical	-	5,000	-	-	-	-		5,000
Miscellaneous	149	1,569	-	-	-	-		1,718
Balance, February 28, 2017	**$316,638**	**$ 172,207**	**$ -**	$ -	$ -	$ -		**$ 488,845**
Cumulative mineral property costs	**$341,359**	**$ 207,263**	$ **19,050**	$ -	$ -	$ -		**$ 567,672**
Acquisition Costs								
Balance, February 28, 2017	$ 24,721	$ 35,056	$ 19,050	$ -	$ -	$ -		$ 78,827
Incurred during the period	-	2,176		24,452	149,946	46	26,920	203,540
Balance, February 28 2018	**$ 24,721**	**$ 37,232**	**$ 19,050**	**$ 24,452**	**$ 149,946**	**$46**	**$ 26,920**	**$ 282,367**
Exploration Expenditures								
Balance, February 28, 2017	316,638	172,207	-	-	-	-		$ 488,845
Prospecting	-	5,250	2,153	15,055	597	-		23,055
Geology	-	7,396	1,453	18,654	13,467	-	1,163	42,133
Geophysical	-	5,400	-	6,690	6,027	-		18,117
Diamond drilling	-	-	-	-	-	-	-	-
Miscellaneous	-	3,201	-	125	2,844	175		6,345
JEAP grant	-	(20,823)	-	-	-	-	-	(20,823)
Balance, February 28, 2018	**$316,638**	**172,631**	**3,606**	**40,524**	**22,935**	**$ 175**	**$1,163**	**$ 557,672**
Proceeds from sale and/or option	-	-	-	-	(116,852)	-	-	(116,852)
Cumulative mineral property costs	**$341,359**	**$ 209,863**	**$22,656**	**$ 64,976**	**$ 56,029**	**$221**	**$ 28,083**	**$ 723,187**

Geneva Lake

On November 12, 2012, the Corporation acquired a 100% interest in the Geneva Lake property. As consideration, the Corporation issued 200,000 common shares at a deemed price of $0.10 per common share and 200,000 share purchase warrants exercisable at $0.20 per common share in favour of the vendor.

The property is subject to a 2.0% net smelter return royalty of which the Corporation can purchase a 50% interest at any time for $500,000.

A Phase 1 diamond drilling program was completed during the 2013 fiscal year to make an initial assessment of the claims, and in particular, of volcanogenic massive sulphide-style, base metal mineralization remaining underground in proximity to the historic underground workings, and to help locate such workings relative to surface. Results were reported on February 4, 2013 and showed low grade, but anomalous, base metal mineralization over widths between 2.00 and 9.00 m.

During the year ended May 31, 2014 geological, geophysical, preparatory surveys and prospecting was carried out on the property.

During the year ended May 31, 2015 limited exploration and evaluation work was carried out on the property.

During the period ended February 28, 2017 and February 28, 2018 limited exploration and evaluation work was carried out on the property.

Copper Prince

On June 14, 2016, the Company acquired a 100% interest in the Copper Prince property. As consideration the Company made a cash payment of $10,000 and issued 200,000 common shares at $0.08 per common share in favour of the vendor. The property consists of eleven patented claims located near Sudbury, Ontario.

The property is subject to a 2% net smelter return royalty.

On August 4, 2016 the Company staked 4 mineral claims for a cash cost of $4,400. The claims are near but not adjacent to the Copper Prince property.

During the period ending February 28, 2018 the Company carried our exploration and evaluation activities totalling $2,275.

Dryden Cobalt

On August 29, 2016, the Company acquired a 100% interest in the Dryden Cobalt property. As consideration the Company made a cash payment of $4,800 and issued 150,000 common shares at $0.095 per common share in favour of the vendor.

The property consists of two mineral claims (12 claim units).

During the period ending February 28, 2018 the Company carried our exploration and evaluation activities totalling $3,606.

Chilton Cobalt

On February 27, 2017, the Company acquired a 100% interest in the Chilton Cobalt property located in the Laurentian Region of Quebec. As consideration the Company issued 150,000 common shares at $0.07 per common share and 150,000 share purchase warrants exercisable at $0.10 per common share in favour of the vendor. The property consists of 9 mineral claims covering 497 hectares and is located in the Laurentian region of Quebec.

During the period ending February 28, 2018 the Company carried our exploration and evaluation activities totalling $25,599.

Gowganda Cobalt

On May 12, 2017, the Company acquired a 100% interest in the Gowganda Cobalt property located near Gowganda, Ontario. As consideration the Company made a cash payment of $67,650 and issued 562,500 common shares at $0.08 per common share and issued 562,500 share purchase warrants exercisable at $0.10 in favour of the vendor. The property consists of 15 mineral claims and is located near Gowganda, Ontario.

The property is subject to a 2% net smelter return royalty of which the Company can purchase a 50% interest at any time for $1,000,000.

During the period ending February 28, 2018 the Company carried out exploration and evaluation activities totalling $13,738.

During the period, the Company sold and/or optioned several mineral claims comprising the Gowganda Cobalt property for cash and securities proceeds of $66,952 and $49,900 respectively.

Otto Lake

On February 16, 2017, the Company acquired a 100% interest in the Otto Lake property consisting of 4 unpatented mineral claims located near Kirkland Lake, Ontario.

As consideration the Company entered into a net smelter return royalty (NSR) agreement whereby it will pay a 3% NSR on the first 200,000 ounces of gold produced and a 2% NSR on amounts greater than 200,000 ounces of gold produced. In the event the Company completes and files form NI43-101containing a resource estimate of at least one million ounces of gold at an average grade of two grams per tonne on the Otto Lake property, a bonus of $USD 250,000 is payable within thirty days of such filing.

During the period ended February 28, 2018 limited work was carried out on the Otto Lake property.

MacTrack

On December 18, 2017, the Company acquired a 100% interest in the MacTrack property located near Sudbury, Ontario.

As consideration the Company made a cash payment of $10,000 and issued 187,500 common shares at $0.08 per share. A finder's fee paid by the issue of 24,000 common shares was incurred with respect to the acquisition of the MacTrack property.

The property is subject to a 2% net smelter return royalty of which the Company can purchase a 50% interest at any time for $1,000,000.

Limited exploration and evaluation work was carried out on the MacTrack property during the period ended February 28, 2018.

British Columbia Properties

	Ryliejack		Mikayla	
Acquisition costs	**February 28, 2018**	**February 28, 2017**	**February 28, 2018**	**February 28, 2017**
Balance, beginning of period	$ 32,561	$ 32,561	$ 24,252	$ 24,252
Balance, end of period	$ 32,561	$ 32,561	$ 24,252	$ 24,252
Exploration Expenditures				
Balance, beginning of period	$ 9,227	$ 9,227	$ 89,165	$ 89,165
Airborne survey	-		-	-
Geology	-	-	-	-
Miscellaneous	-	-	-	-
Balance, end of period	$ 9,227	$ 9,227	$ 89,165	$ 89,165
Total	$ 41,788	$ 41,788	$ 113,417	$ 113,417

Ryliejack

On January 31, 2012, the Company acquired a 100% interest in the Peggy, Ryliejack and SK West property. Pursuant to the purchase agreement, the Company made a cash payment of $7,500 and issued 500,000 common shares and 100,000 share purchase warrants of the Company in favour of the vendor.

The property is subject to a 2.5% net smelter return royalty of which the Company can purchase a 50% interest at any time for $1,000,000.

During the 2013 fiscal year impairment in the amount of $11,070 was recorded with respect to two mining tenures

During the 2014 fiscal year limited geological, preparatory surveys and prospecting was carried out on the properties and impairment in the amount of $40,810 was recorded with respect to three mining tenures.

During the 2015 fiscal year impairment in the amount of $57,937 was recorded with respect to five mining tenures.

During the periods ended February 28, 2017 and February 28, 2018 no work was carried out on the properties.

Mikayla

On March 2, 2012, the Company acquired a 100% interest in the Mikayla, Tat and Chess properties. Pursuant to the purchase agreement, the Company made a cash payment in the amount of $9,294 and issued 150,000 common shares at a deemed price of $0.20 per common share.

The properties are subject to a 2.5% net smelter return royalty of which the Company can purchase a 50% interest at any time for $1,000,000.

During the 2013 fiscal year the Company determined that it would not renew the tenures comprising the Tat and Chess properties when they became due for renewal subsequent to the year end and consequently wrote down the carrying value of the properties. Consequently, impairment in the amount of $34,365 was recognized for these tenures resulting in the Tat and Chess properties being written down to nil.

During the periods ended February 28, 2017 and February 28, 2018 no work was carried out on the Mikayla property.

Qualified Person and QA/QC

Dr. Tom McCandless P.Geo, a qualified person as defined by NI 43-101, has reviewed the scientific and technical information that forms the basis for the disclosure regarding the Company's properties in this MD&A and has approved the disclosure herein. Dr. McCandless is not independent of the Company, as he is a director and holds incentive stock options.

Investments

During fiscal 2013, the Corporation received 48,000 common shares of each of Zara Resources Inc. and Hadley Mining Inc. and 24,000 common shares of Leo resources Inc. by way of a dividend from a previous investment. The shares of all three companies are listed on the Canadian Securities Exchange. During the 2017 fiscal year the common shares of Zara Resources Inc., Hadley Mining Inc., and Leo Resources Inc. were consolidated on a 1:10, 1:12, and 1:5 respectively. The carrying value of the shares has been adjusted to reflect post consolidation market value.

During fiscal 2015, the Corporation acquired 2,176,893 common shares of Tempus Capital Inc. ("Tempus") representing an 8.9% interest in Tempus. 2,494,233 common shares of the Corporation were issued at $0.07 per share as consideration for the acquisition. Tempus is a real estate operating company which is a reporting issuer but whose shares are not listed on a stock exchange or a trading platform.

During fiscal 2016, 1,518,559 shares of Tempus were distributed to the shareholders of the Corporation by way of a dividend-in-kind on the basis of one Tempus share for every twenty CBLT shares to the shareholders of record on July 31, 2015.

The Corporation now owns 658,334 shares of Tempus representing a 2.2% interest in Tempus. During fiscal 2017 the carrying value of the Tempus shares was increased to reflect the value per share based on industry comparables.

During the period, the Company sold its Bloom Lake claims which were part of the Gowganda Cobalt property. Proceeds included 16,666,667 common shares representing a .8% interest of Winmar Resources Limited which is listed on the Australian Stock Exchange. The carrying value of the Winmar shares was increased to reflect the closing price at February 28, 2018.

Additional details with respect to investments are set out in Note 5 of the February 28, 2018 condensed interim financial statements.

Debt Instruments

The Corporation has a promissory note outstanding with a face amount of $31,000 on which interest at the rate of 10% per annum is accruing. The promissory note is unsecured and matured in 2014. See Note 6 to the February 28, 2018 condensed interim financial statements.

Outstanding Share Data

As of the date of this MD&A, the Company has 49,196,859 common shares issued and outstanding as well as: (a) stock options to purchase an aggregate of 3,776,000 common shares expiring at various date between February 2019 and June 2022 and exercisable at prices between $0.05 and $0.135 per common share and, (b) share purchase warrants to purchase an aggregate of 2,510,294 common shares expiring at various dates between October 2018 and April 2019 and exercisable at between $0.10 and $0.12 per common share. In addition, there are 65,450 broker warrants outstanding expiring on various dates in November 2018 and exercisable at between $0.10 and $0.12 per common share. For additional details of share data, please refer to Note 7, 8 and 9 of the February 28, 2018 condensed interim financial statements.

Capital Management

The Company's objectives when managing capital are as follows:

- i) To safeguard the Company's ability to continue as a going concern;
- ii) To raise sufficient capital to finance its exploration and development activities on its mineral exploration properties;
- iii) To raise sufficient capital to meet its general and administrative expenditures.

The Company manages its capital structure and makes adjustments to it based on the general economic conditions, its short term working capital requirements, and its planned exploration and development program expenditure requirements. The capital structure of the Company is comprised of working capital and shareholders' equity. The Company may manage its capital by issuing flow through or common shares, or by obtaining additional financing.

The Company utilizes capital and operating expenditure budgets to facilitate the management of its capital requirement. These budgets are approved by management and updated for changes in the budgets underlying assumptions as necessary.

There were no changes in the Company's approach to managing capital during the period.

Contractual Obligations and Off-Balance Sheet Arrangements

The Company is not party to any industry contracts or arrangements. There are no off balance sheet arrangements.

Critical Accounting Estimates

The preparation of the unaudited condensed interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These unaudited condensed interim financial statements include estimates that, by their nature, are uncertain.

The impacts of such estimates are pervasive throughout the unaudited condensed interim financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- the recoverability of exploration and evaluation expenditures incurred on the Company's property interests;
- the inputs used in accounting for share-based payment transactions included in financial assets at fair value through profit or loss; and
- the inputs used in accounting for investments included in available-for-sale financial assets.

Accounting Policies including Initial Adoption

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for accounting years beginning on or after June 1, 2017. Many are not applicable or do not have a significant impact to the Company and have been excluded from the table below. The following will be adopted when it becomes effective:

(i) IFRS 9 Financial instruments ("IFRS 9") is a partial replacement of IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The Company does not anticipate a significant impact on the financial results from adopting the standard.

(ii) IFRS 15 Revenue from Contracts with Customers ("IFRS 15") presents new requirements for the recognition of revenue, replacing IAS 18 'Revenue', IAS 11 'Construction Contracts', and several revenue-related Interpretations. The new standard establishes a control-based revenue recognition model and provides additional guidance in many areas not covered in detail under existing IFRSs, including how to account for arrangements with multiple performance obligations, variable pricing, customer refund rights, supplier repurchase options, and other common complexities. IFRS 15 is effective for reporting periods beginning on or after January 1, 2018. The Company does not anticipate a significant impact on the financial results as it has no revenue.

(iii) IFRS 16 Leases ("IFRS 16") eliminates the classification of leases as either operating or finance leases for a lessee. Instead all leases are capitalized by recognizing the present value of lease payments and recognizing an asset and a financial liability representing an obligation to make future lease payments. The principles in IFRS 16 provide a more consistent approach to acquiring the use of an asset whether by leasing or purchasing the asset.

The new leasing standard is applicable to all entities and will supersede current lease accounting standards under IFRS. Prospective application is required beginning on or after January 1, 2019 with early adoption permitted only if an entity early adopts IFRS 15 as well. The Company does not anticipate a significant impact on the financial statements from adopting the standard.

(iv) IFRS 2 *Share-based Payments* ("IFRS 2") has been revised to incorporate amendments issued by the International Accounting Standards Board (IASB) in June 2016. The amendments provide guidance on the accounting for:

- the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments;
- share-based payment transactions with a net settlement feature for withholding tax obligations; and
- a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.
- The amendments are effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted. The Company is evaluating the impact this new standard will have on its financial statements.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

Financial Instruments

Financial risk

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign currency risk and commodity and equity price risk).
Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

(i) Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents and amounts receivable. The Company has no significant concentration of credit risk arising from operations. Cash and cash equivalents are held with a Canadian Schedule A bank, from which management believes the risk of loss to be minimal.

Management believes that the credit risk with respect to financial instruments included in amounts receivable is minimal.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at February 28, 2018, the Company had cash of $172,111 (2017 - $6,697) to settle current liabilities of $280,909 (2017 - $818,808). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as liquidity.

(iii) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity and equity prices.

(a) Interest rate risk

Cash and cash equivalents are subject to floating interest rates. Sensitivity to a plus or minus 1% change in interest rates would not have a material impact on the reported net income (loss) and comprehensive income (loss) for the three months ended February 28, 2018.

(b) Foreign currency risk

Currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. Certain of the Company's financial instruments are denominated in Australian dollars. As a result, the Company is exposed to fluctuations in the movement of the Australian dollar relative to the Canadian dollar. The Company does not hold balances in foreign currencies to give rise to exposure to foreign exchange risk.

(c) Commodity and equity price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, as they relate to precious and base metals and other minerals, and the stock market to determine the appropriate course of action to be taken by the Company.

Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depend upon the world market price of precious and base metals and other minerals. Precious and base metals and other mineral prices have fluctuated widely in recent years. There is no assurance that, even if commercial quantities of precious and base metals and other minerals are produced in the future, a profitable market will exist for them. As of February 28, 2018, the Company was not a precious mineral, base metals and other minerals producer. Even so, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

Transactions with Related Parties

During the year and three months ended February 28, 2018, the Company entered into the following transactions with related parties and paid or accrued the following amounts, excluding share-based payment charges in connection therewith:

Name	Relationship	Purpose of Transaction	Three Months Ended
Maplegrow Capital Inc.	Company controlled by the CEO of the Company	Consulting	$ 16,500
Brant Capital Partners Inc.	Company controlled by the CFO of the Company	Consulting	$ 16,500
Brant Capital Partners Inc.	Company controlled by the CFO of the Company	Rent, office supplies, telephone, administrative expenses	$ 3,000

COMMITMENTS AND CONTINGENCIES

Flow-through Shares

On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as a tax provision and the related deferred tax is recognized as a tax provision. Other liabilities include the premium that has not yet been used to incur qualifying exploration expenditures. The following is a continuity schedule of the liability portion of the flow-through shares issuances.

Balance at May 31, 2017	**$**	**110,976**
Expenditure commitment on flow-through shares issued during the year		400,000
Settlement of flow-through share liability on Incurring expenditures		(66,893)
February 28, 2018	**$**	**444,083**

Risks and Uncertainties

Liquidity and Additional Financing

The Company has limited financial resources and no current revenues. There can be no assurance that additional funding will be available to it for further exploration and development of its projects or to fulfill its obligations under applicable agreements. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could cause the Resulting Issuer to reduce or terminate its operations.

Regulatory Requirements

Even if the Company's properties are proven to host economic reserves of gold or other precious or non-precious metals, factors such as governmental expropriation or regulation may prevent or restrict mining of any such deposits. Exploration and mining activities may be affected in varying degrees by government policies and regulations relating to the mining industry. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, environmental legislation and mine safety.

Nature of Mineral Exploration and Mining

At the present time, the Company does not hold any interest in a mining property in production. The Company's viability and potential success lie in its ability to discover, develop, exploit and generate revenue out of mineral deposits. Mineral exploration and development involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. The profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, if any, which may be affected by a number of factors beyond the Company's control. Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of diamond, precious and non-precious metals, any of which could result in work stoppages, damage to the property, and possible environmental damage. Hazards such as unusual or unexpected

formations and other conditions such as formation pressures, fires, power outages, labor disruptions, flooding, explorations, cave-ins, landslides and the inability to obtain suitable adequate machinery, equipment or labor are involved in mineral exploration, development and operation. The Company may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which it may elect not to insure. The payment of such liabilities may have a material, adverse effect on the financial position of the Company.

The Company will continue to rely upon consultants and others for exploration and development expertise. Substantial expenditures are required to determine if mineralization reserves exist through drilling, to develop processes to extract the precious and non-precious metals from the mineralization and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis or at all. The economics of developing mineral properties are affected by many factors including the cost of operations, variations in the grade of mineralization mined, fluctuations in markets, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. The remoteness and restrictions on access to any properties in which the Company has or may have an interest may have an adverse effect on profitability in that infrastructure costs will be higher.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or for other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and cause insolvency and/or a decline in the value of the securities of the Company.

No Assurance of Title to Properties

The acquisition of title to mineral projects is a very detailed and time consuming process. Although the Company has taken precautions to ensure that legal title to its property interests is properly recorded in the name of the Company where possible, there can be no assurance that such title will ultimately be secured. Furthermore, there is no assurance that the interest of the Company in any of its properties may not be challenged or impugned.

Permits and Licenses

The operations of the Company may require licenses and permits from various governmental authorities. The company believes that it presently holds all necessary licences and permits to carry on with activities which it is currently conducting under applicable laws and regulations and the Company believes it is currently complying in all material respects with the terms of such laws and regulations. However, such laws and regulations are subject to change. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects.

Competition

The mineral exploitation industry is intensely competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees. In addition, there is no assurance that even if commercial quantities of minerals are discovered, a ready market will exist for their sale. Factors beyond the control of the Company may affect the marketability of any minerals discovered. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital or losing its invested capital.

Environmental Regulations

The Company's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for noncompliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important requirements, which affect capital and operating costs. Unusual or infrequent weather, phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations.

Fluctuating Prices

Factors beyond the control of the Company may affect the marketability of any copper, nickel, gold, platinum or any other minerals discovered. The price of those commodities has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the Company's control including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, consumption patterns, speculative activities and increased production due to new mine developments and improved mining and production methods. The effect of these factors on the price of gold, base and precious metals and therefore the economic viability of any of the Company's projects cannot be accurately predicted.

Reliance on Key Personnel

The Company is dependent on a relatively small number of key people, the loss of any of whom could have an adverse effect on its operations. The Company does not carry any key man insurance.

Subsequent Events

- On April 3, 2018, CBLT Inc. entered into a sale agreement with Krakatoa Resources Limited, an Australian company listed on the Australian Stock Exchange, to sell two mineral exploration claims. Consideration for the sale included $50,000 AUD plus 2,500,000 common shares of Krakatoa Resources Limited at a price of $0.035 AUD. CBLT Inc. will issue 60,000 common shares as a finder's fee which will require regulatory approval.

- On April 12, 2016, CBLT Inc. entered into an agreement with International Cobalt Resources Limited, an Australian company which is in the process of listing its shares on the Australian Stock Exchange, to sell two mineral exploration claims. International Cobalt Resources Limited will provide a deposit of $20,000 AUD which is refundable for 21 days to allow for International Cobalt Resources Limited to complete its due diligence. On closing, International Cobalt Resources Limited will pay cash consideration of $125,000 AUD including the deposit and will issue to CBLT Inc.$125,000 worth of International Cobalt Resources Limited shares at a price at which it carries out its next financing. In addition, International Cobalt Resources Limited ill issue to CBLT Inc. warrants equal in number to the common shares issued in connection with the acquisition exercisable at double the price at which the common shares are issued.

Additional information relating to the Company and its operations is available on SEDAR at www.sedar.com.