AUSTIN RESOURCES LTD.

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS
FOR THE THREE AND NINE MONTHS ENDED
SEPTEMBER 30, 2018

Introduction

The following Interim Management Discussion & Analysis ("Interim MD&A") of Austin Resources Ltd. (the "Company", "Austin Resources") has been prepared to provide material updates to the business operations, liquidity and capital resources of the Corporation since its last management discussion & analysis, being the Management Discussion & Analysis ("Annual MD&A") for the fiscal year ended December 31, 2017. This Interim MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since date of the Annual MD&A.

This Interim MD&A has been prepared in compliance with the requirements of section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51- 102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with Annual MD&A, the audited annual consolidated financial statements of the Company for the years ended December 31, 2017 and December 31, 2016 and the unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2018, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the three and nine months ended September 30, 2018 are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as at November 27, 2018 unless otherwise indicated.

The unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2018, have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting.

For the purposes of preparing this Interim MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Austin Resources' common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations is available on SEDAR at www.sedar.com.

Caution Regarding Forward-Looking Statements

This Interim 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 state 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 may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this Interim MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

Forward-looking statements	Assumptions	Risk factors
For fiscal 2018, the Company's operating expenses are estimated to be approximately $8,000 per month for recurring corporate operating costs	The Company has anticipated all material costs; the operating activities of the Company for the twelve-month period ending September 30, 2019, and the costs associated therewith, will be consistent with Austin Resources' current expectations.	Unforeseen costs to the Company will arise; any particular operating costs increase or decrease from the date of the estimation; changes in economic conditions.
The Company will be required to raise additional capital in order to meet its ongoing operating expenses and complete its planned exploration activities on all of its current projects for the twelve-month period ending September 30, 2019.	The operating and exploration activities of the Company for the twelve-month period ending September 30, 2019 and the costs associated therewith, will be consistent with Austin Resources' current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to Austin Resources.	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions.
Austin Resources' properties may contain economic deposits of precious and base metals.	Financing will be available for future exploration and development of Austin Resources' properties; the actual results of Austin Resources' exploration and development activities will be favourable; operating, exploration and development costs will not exceed Austin Resources' expectations; the Company will be able to retain and attract skilled staff; all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to Austin Resources, and applicable political and economic conditions are favourable to Austin Resources; the price of precious and base	Precious and base metal price volatility; uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with Austin Resources' expectations; availability of financing for and actual results of Austin Resources' exploration and development activities; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff.

	metals and applicable interest and exchange rates will be favourable to Austin Resources; no title disputes exist with respect to the Company's properties.	
The Company will be able to carry out anticipated business plans, including costs and timing for future exploration on its property interests.	The exploration activities of the Company for the twelve-month period ending September 30, 2019, and the costs associated therewith, will be consistent with Austin Resources' current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to Austin Resources; Financing will be available for Austin Resources' exploration and development activities and the results thereof will be favourable; the Company will be able to retain and attract skilled staff; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to Austin Resources; the Company will not be adversely affected by market competition; the price of precious and base metals will be favourable to Austin Resources; no title disputes exist with respect to Austin Resources' properties.	Precious and base metal price volatility, changes in debt and equity markets; timing and availability of external financing on acceptable terms; the uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with Austin Resources' expectations; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company may be unable to retain and attract skilled staff; receipt of applicable permits.
Management's outlook regarding future trends.	Financing will be available for Austin Resources' exploration and operating activities; the price of precious and base metals will be favourable to Austin Resources.	Precious and base metal price volatility; changes in debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions.
Sensitivity analysis of financial instruments.	Based on management's knowledge and experience of the financial markets, the Company believes that there would be no material changes to its results for the three and nine months ended September 30, 2018 as a result of a change in the foreign currency exchange rates or interest rates.	Changes in debt and equity markets; interest rate and exchange rate fluctuations.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond Austin Resources' ability to predict or control. Please also make reference to those risk factors referenced in the "Risks and Uncertainties" section below. 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 Interim MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Austin Resources' 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.

Description of Business

Austin Resources is currently engaged in the acquisition and exploration of mineral properties in Chile and Canada. Substantially all of the Company's efforts are devoted to financing and developing these properties.

The Company's head office and principal address in Canada is 82 Richmond St East, Suite 204, Toronto, Ontario M5C 1P1. The Company's common shares are listed on the TSX Venture Exchange ("TSX-V", or the "Exchange") under the symbol "AUT".

The Company currently has an interest in a prospective copper-iron property in Chile which is held by its wholly-owned subsidiary, Minera Azul Ventures Limitada ("Minera Azul"), a private Chilean limited liability partnership company. In addition, the Company has acquired a 100% interest in an early stage gold exploration property in Ontario, Canada.

Weimin Fu, P. Geo., a director of the Company and a Qualified Person under National Instrument 43-101, has reviewed the scientific and technical information in this document.

Trends

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 quarter, equity markets in the junior resource sector, particularly the TSX-V, made steady progress led by an increase in the price of gold, with a number of financings being completed as well as mergers and acquisitions activities. Share prices increased during this period with the TSX-V up to 167% over the end of year 2017. Apart from these factors and the risk factors noted under the heading "Risks and Uncertainties", 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 "Risks and Uncertainties" below.

Operational Highlights

There were no significant corporate events during the nine months ended September 30, 2018.

Exploration and Evaluation Activities

During the nine months ended September 30, 2018, the company's properties are on a care and maintenance basis.

Exploration and Development Costs

Names	Nine Months Ended September 30, 2018 ($)	Nine Months Ended September 30, 2017 ($)
La Higuera Project		
Exploration licenses and lease payments	31,076	28,514
Value added taxes	6,096	15,725
La Higuera Project Total	**37,172**	**44,239**

Outlook

As of September 30, 2018, the Company had net working capital deficiency of $508,995 which increased as compared to net working capital deficiency of $353,387 as at December 31, 2017 mainly due to incurring of expenses and accrual of interest on the related party loan. During 2018, the Company plans to assess its next steps in regards to further exploration and evaluation activities on the La Higuera Project.

Off-Balance-Sheet Arrangements

As of the date of this filing, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

Commitments and contingencies

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Under the mining and resource regulations in Chile, the Company is required to pay annual exploration licences, or "patente" fees. Based on the Company's existing mineral concessions, the Company will be required to pay approximately $8,000 in annual patent fees.

Discussion of Operations

Three months ended September 30, 2018 compared with three months ended September 30, 2017

Austin Resources' net loss totaled $41,992 for the three months ended September 30, 2018, with basic and diluted loss per share of $0.00. This compares with a net loss of $39,794 with basic and diluted loss per share of $0.00 for the three months ended September 30, 2017. The increase of $2,198 in net loss was principally because:

- For the three months ended September 30, 2018, professional fees increased by $12,166 from $6,676 in the prior period to $18,842 in the current period. The increase in due to higher audit and accounting fees.
- For the three months ended September 30, 2018, exploration and evaluation expenditures decreased by $13,137 from $16,702 in the prior period to $3,565 in the current period. The decrease is due to recovery of value added taxes during the current period.

Liquidity and Financial Position

Cash used in operating activities was $130,073 for the nine months ended September 30, 2018 compared to $142,226 in the nine months ended September 30, 2017. Operating activities were affected by the net loss of $155,702 offset by non-cash items of depreciation expense of $94 and accrued interest expense of $37,397 and the negative change in non-cash working capital balances of $11,862.

At September 30, 2018, Austin Resources had $131,273 in cash and cash equivalents (December 31, 2017 - $261,346).

The Company has no operating revenues and therefore must utilize its funds obtained from the equity financing and other financing transactions to maintain its capacity to meet ongoing exploration and operating activities.

As of September 30, 2018, the Company had 44,233,120 common shares issued and outstanding. There were no warrants or stock options outstanding.

As of September 30, 2018, the Company has a loan of $620,137 but since it is owing to a related party and has a fixed interest rate, its credit and interest rate risk remains minimal. Accounts payable and accrued liabilities are short-term and non-interest bearing.

The Company's use of cash at present occurs, and in the future will occur, principally in two areas, namely, funding of its general and administrative expenditures and funding of its investment activities. Those investing activities include the cash components of the cost of acquiring and exploring its tenements. For fiscal 2018, the Company's expected operating expenses are estimated to average $8,000 per month for recurring operating costs. Management may reassess its planned expenditures based on the Company's working capital resources, the scope of work required to advance exploration on its projects and the overall condition of the financial markets.

Although the Company's working capital is in a deficit of $508,995 at September 30, 2018, this includes the related party loan of $620,137 from a major shareholder of the Company committed to the long-term financial health of the Company. Excluding this related party loan, the Company would have a working capital position of $111,142. The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. There is no assurance that these funds will be available on terms acceptable to the Company or at all.

Related Party Transactions

(a) Compensation of key management personnel of the Company

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of the Board of Directors, corporate officers, including the Chief Executive Officer and Chief Financial Officer, as well the Vice President of Exploration and the Country Manager.

	Three Months Ended September 30,		Nine Months Ended September 30,	
Names	**2018 ($)**	**2017 ($)**	**2018 ($)**	**2017 ($)**
Salaries and benefits	5,875	5,598	17,406	17,648

(b) Transactions with related parties

The Chief Financial Officer is an employee of Marrelli Support Services Inc. ("MSSI"), a firm providing accounting services. During the three and nine months ended September 30, 2018, the Company incurred $6,415 and $19,101, respectively (September 30, 2017 – recovered $511 and incurred $24,826, respectively) for accounting services (included in professional fees) rendered by MSSI. As at September 30, 2018, MSSI was owed $7,806 (December 31, 2017 - $14,350) and this amount was included in accounts payable and accrued liabilities. The amount is unsecured, non-interest bearing and due on demand.

Share Capital

As of the date of this MD&A, the Company had 44,233,120 issued and outstanding common shares.

Disclosure of Internal Controls

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by consolidated financial statements; and (ii) the consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Risks and Uncertainties

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risks and Uncertainties" in the Company's Annual MD&A for the fiscal year ended December 31, 2017, available on SEDAR at www.sedar.com.

Additional Disclosure for Venture Issuers without Significant Revenue

General and Administrative

Names	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018 ($)	2017 ($)	2018 ($)	2017 ($)
Consulting and management fees	5,875	5,598	17,406	17,648
Professional fees	18,842	6,676	54,734	51,452
Office expense	954	5,317	6,726	8,990
Interest expense	12,602	12,603	37,397	37,397
Shareholder communication and filing fees	604	1,357	7,854	8,169
Bank charges	925	1,101	3,313	3,226
Depreciation expense	33	65	94	195
Total	**39,835**	**32,717**	**127,524**	**127,077**