Goldbelt Empires Limited
(now named Integrated Compliance Solutions Limited)

Management Discussion and Analysis

For the Year Ended June 30, 2018

FORM 51-102F1

The following management's discussion and analysis ("MD&A") should be read in conjunction with the consolidated financial statements of Goldbelt Empires Limited ("Goldbelt" or "the Company") for the year ended June 30, 2018 and related notes thereto which have been prepared in accordance with International Financial Reporting Standards ("GAAP" or "IFRS") as issued by the International Accounting Standards Board. Additional information relating to the Company is available on SEDAR at www.sedar.com.

This MD&A was prepared by management of Goldbelt and was approved by the Board of Directors on October 29, 2018. All amounts are in Canadian dollars unless otherwise stated.

Forward-Looking Statements

Certain statements contained in this document constitute "forward-looking statements". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", used by any of the Company's management, are intended to identify forward-looking statements. Such statements reflect the Company's forecasts, estimates and expectations, as they relate to the Company's current views based on their experience and expertise with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments unless required by law.

The following table sets out the significant forward-looking information included in this MD&A:

Forward-Looking information	**Key Assumptions**	**Relevant Risk Factors**
Future funding for ongoing operations.	The Company will be able to raise funding.	The Company has disclosed this may be difficult and failure to raise these funds will materially impact the Company's ability to continue as a going concern.
Continued exploration of mineral properties.	The exploration program will reveal mineral resources increasing the value of the properties.	There is no certainty that the exploration program will result in an increase in the existing resource.

Description of the Business and Significant Events

Goldbelt Empires Limited is a gold explorer focused on the West African goldbelt whose Ordinary shares are listed on the TSX Venture Exchange ("TSXV") under the symbol "GBE". The Company operates from its primary office in London at 97 Jermyn Street, London United Kingdom, SW1Y 6JE. Its registered head office is located at Ritz Plaza, 16/F, Suite B, 122 Austin Road, Tsim Sha Tsui, Kowloon, Hong Kong SAR.

The Company was incorporated under the laws of Hong Kong on August 4, 2011 and completed its Initial Public Offering ("IPO") as a Capital Pool Company ("CPC") on the TSXV on September 10, 2012. The Company was later transferred to the NEX board of the Exchange. On September 22, 2015, the Company filed a final long form Prospectus with securities commissions in each of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario ("Prospectus"), completed its Qualifying Transaction on October 15, 2015, and graduated on October 26, 2015 from the NEX to be a Tier 2 Issuer on the TSXV.

In its Qualifying Transaction ("Transaction"), pursuant to a share exchange agreement dated July 24, 2015 between the Company and Goldfield Empires Holdings Limited ("GEH"), the Company acquired 100% of the shares of GEH's subsidiary Goldbelt International Limited ("GIL").

GIL was a private company incorporated under the laws of Hong Kong, focused on gold exploration in West Africa. GIL's business is the acquisition, exploration and development of mineral resources in West Africa. GIL currently has two subsidiaries: (i) Mali Goldfields Limited ("MG Limited") of which GIL owns 100% of the issued and outstanding ordinary shares and (ii) Mali Goldfield SARL ("MG SARL"), of which MG Limited owns 100% of all the issued and outstanding shares. GIL's subsidiary MG SARL owns 100% of an exploration permit for exploration of gold and base metals on the South Morila (Kola) Concession located in the Sikasso Region of Southern Mali which covers an area of 150 km^2 in size.

In connection with the closing of the Transaction, on October 15, 2015, the Company completed a financing pursuant to the Offering whereby 4,500,000 Units were sold for gross proceeds of $900,000 (the "First Closing"). The Company intends to undertake additional financing in respect of the Offering prior to the expiration of the Offering Period as defined in the Final Prospectus. In connection with the completion of the First Closing, the Agent received a cash commission equal to $72,000 and the Company issued 360,000 Agent's Options to the Agent.

The Company commenced the exploration and development of its South Morila Concession in the second quarter ended December 31, 2015 as well as the identification and evaluation of other businesses and assets for potential acquisition upon the conclusion of financing.

On January 22, 2016, the Company announced the achievement of a key milestone from the results of newly processed geophysical data. The data was acquired as part of Goldbelt's airborne magnetic and radiometric survey over 100% of the Company's South Morila Concession. The highlights are as follows:

- Processed data was received from a 1,667 line km airborne magnetic and radiometric survey;
- Preliminary magnetic data identified three distinct structural domains within the licence that include both a number of NE trending structures and areas representing potential intrusive bodies; and

- Radiometric data, in particular the potassium signature, identified three zones of interest.

The Company's geologists and consultants commenced working towards utilizing this new geophysical information along with existing geological and structural interpretations and combined with the identified zones of mineralisation, both chemical and artisanal gold workings, to interpret the new geophysical data and generate a prospectivity map.

On May 10, 2016, the Company achieved a further milestone when it completed a geological interpretation of the results of its recent geophysical survey. The highlights of this interpretation include the following:

- The identification of several potassium anomalies that pose compelling targets for future exploration;

- Further confirmation, and the enhancement of the attractiveness, of previously known mineralization from prior exploration work consequently deemed high priority prospects; and

- A number of targets that will be the focus of a recommended exploration program (Phase II) to include a campaign of scout drilling.

On August 24, 2016, the Ministry of Mines of Mali granted the Company's application to renew its licence for a further two years over the South Morila gold concession area of Mali, West Africa.

On November 18, 2016, the Company engaged Gravitas Securities Inc. ("GSI") as a financial and strategic advisor under a finder's fee agreement (the "Finder's Fee Agreement") for a private placement (the "Private Placement") as well as under a separate advisory agreement (the "Advisory Agreement") to develop a current and ongoing capital markets strategy.

Under the Advisory Agreement, GSI will provide the Company a range of strategic services under its mandate including financial and operational analysis of the Company, review of strategic opportunities and synergies, provision of capital markets guidance, examination of potential sources of funding and recommendations for future capital requirements, earning compensation comprised of a stock and option package.

On February 3, 2017, the Company closed a non-brokered private placement of 14,100,000 units of the Company ("Units") at a price of $0.05 per unit for gross proceeds of $705,000. Each Unit consists of one ordinary share in the capital of the Company ("Ordinary Share") and one Ordinary Share purchase warrant whereby each warrant entitles the holder to purchase one Ordinary Share at an exercise price of $0.08 per Ordinary Share for a period of 3 years.

In connection with the Offering, the Company engaged GSI and various third party finders. Pursuant to the Finder's Fee Agreement, the Company paid finder's fees of $44,000 and 880,000 finder's warrants at an exercise price of $0.10 per Ordinary Share for a period of 3 years. In addition, GSI received, pursuant to the Advisory Agreement, an additional $50,000 fee paid in Ordinary Shares at a price of $0.05 per Ordinary Share. Pursuant to the Advisory Agreement, the Company issued 1,000,000 Ordinary Shares at a price of $0.05 per Ordinary Share and 503,750 warrants to purchase Ordinary Shares at an exercise price of $0.10 per Ordinary Share for a period of 5 years.

All securities pursuant to the Offering and the Finder's Fee Agreements are subject to a hold period of four months and one day from the date of closing.

The net proceeds of the Offering will be used for Phase II of the South Morila exploration program and for general working capital requirements.

Agreement on Business Combination

On October 29, 2018 the Company entered into a binding letter agreement (the "Agreement") with CannHealth Group Limited ("CannHealth") which sets forth the basic terms and conditions upon which the Company and CannHealth will combine their business operations (the "Business Combination"). The Business Combination will result in a reverse takeover of the Company by CannHealth and its shareholders. In connection with the Business Combination it is anticipated that the Company will voluntary delist from the TSX Venture Exchange and re-list on the Canadian Securities Exchange ("CSE").

The Agreement provides that in connection with the Business Combination the ordinary shares of the Company will be consolidated and the Company will complete a brokered private placement of ordinary shares and that the Company will spinout its subsidiaries engaged in mineral exploration pursuant to a court approved plan of arrangement in exchange for a net smelter royalty. The Agreement provides that at the time of closing all outstanding CannHealth common shares will be exchanged for post-consolidation ordinary shares of the Company on a one-for-one basis.

The definitive agreement regarding the Business Combination will contain customary covenants, representations and warranties of and from each of CannHealth and the Company and completion of the Business Combination will be subject to various conditions precedent, both mutual and with respect to CannHealth and the Company, respectively, including but not limited to the receipt of: (i) approval of the CSE; (ii) approval of the board of directors of the Company and CannHealth; and (ii) approval of the shareholders of the Company and CannHealth.

A previous letter of intent with Integrated Compliance Solutions entered into on April 2, 2018 has been terminated.

Private Placement

During the year ended June 30, 2018, the Company closed an offering of 12% unsecured convertible debentures for gross proceeds of $637,774 (500,000 USD).

The first tranche was closed on May 16, 2018 for a principal amount of $472,619 (370,500 USD). The debentures have a one-year term, bear interest at the rate of 12% per annum payable May 15, 2019, and are convertible as described herein into ordinary shares of the Company at a price of $0.35 (USD) per ordinary share. The debentures will automatically convert into ordinary shares at the conversion price immediately prior to the completion of the transaction provided the transaction occurs before the maturity date.

The second tranche was closed on May 30, 2018 for a principal amount of $165,155 (129,500 USD). The debentures have a one-year term, bear interest at the rate of 12% per annum payable May 29, 2019, and are convertible as described herein into ordinary shares of the Company at a price of $0.35 (USD) per ordinary share. The debentures will automatically convert into ordinary shares at the conversion price immediately prior to the completion of the transaction provided the transaction occurs before the maturity date.

In connection with the offering, the Company entered into a finder's fee agreement with Canaccord Genuity Corp. In consideration for services provided, Canaccord received a cash fee of $51,021 and ordinary share purchase warrants valued at $422 using Black Scholes option pricing model. Each finder warrant entitles the holder to acquire one ordinary share at a price of $0.35 (USD) per ordinary share for a period of 12 months form the date such finder warrants were issued. The finders' warrants was classified as a derivative liability as it meets the definition of a derivative.

Plan of Arrangement

On June 13, 2018, the Company entered into a share purchase and arrangement agreement (the "Arrangement Agreement") with 1167732 B.C. Ltd. ("BC Co" and together with the Company, the "Parties") pursuant to which the Parties will effect a reorganization transaction by way of a statutory plan of arrangement (the "Plan of Arrangement") under the provisions of section 288 of the Business Corporations Act (British Columbia) (the "Arrangement").

Under the terms of the Arrangement Agreement, the Company will sell all of the issued and outstanding shares of its wholly-owned subsidiary Goldbelt International Limited (the "GIL Shares"), and as a result the Company's beneficial interest in its Mali assets (the "Mali Assets"), to BC Co. and BC Co. will grant the Company a net smelter royalty, which shall be capped at a multiple of 6.5 times the book value of the GIL Shares as set forth in the interim financial statements of Goldbelt as at and for the nine months ended March 31, 2018. In connection with the foregoing, it is anticipated that all intercompany debt between Goldbelt and GIL will be extinguished.

The Arrangement Agreement also provides that BC Co shall issue an aggregate number of BC Co shares as is equal to the issued and outstanding ordinary shares of Goldbelt immediately prior to the effective date and such BC Co shares (the "BC Co Arrangement Shares") will be exchanged for ordinary share purchase warrants of Goldbelt ("Goldbelt Warrants") on the basis of one BC Co Arrangement Share in exchange for one Goldbelt Warrant. Under the terms of the Plan of Arrangement, each Goldbelt shareholder will be entitled to receive one BC Co Arrangement Share for each Goldbelt share held. It is intended that once the Arrangement is complete, Goldbelt shareholders will own a number of BC Co

shares equal to the number of Goldbelt Shares they currently hold and, through BC Co, a beneficial interest in the Mali Assets equal to their current beneficial interest in the Mali Assets. Each Goldbelt shareholder will also retain all of the Goldbelt shares they currently own.

As of June 30, 2018, the arrangement has not yet been completed as its terms and conditions have not been satisfied.

Changes to the Company's Management and Board

On March 14, 2018, Jonathan Challis resigned as CEO of the Company, and Marc Bamber resigned as interim CFO and was appointed as the CEO of the Company. On the same day, Chairman James B. Varanese resigned as the corporate secretary of the Company, but remained as the chairman and a director of the board, and Anthony Jackson was appointed as the CFO, corporate secretary and a director of the Company.

On May 25, 2018, Marc Bamber resigned as director and CEO of the Company, and Ian Harris was appointed interim CEO. On the same day, Philipp Koether resigned as director of the Company.

Selected Financial Information

The following selected financial data is derived from the audited consolidated financial statements of the Company for the years ended June 30, 2018, 2017 and 2016 prepared within acceptable limits of materiality and in accordance with International Financial Reporting Standards.

Financial Position	**2018**	2017	2016
	$	$	$
Current assets	**67,223**	92,555	1,916
Exploration and evaluation assets	**1,304,856**	1,257,663	1,259,402
Current liabilities	**1,170,622**	183,677	141,195
Net working capital deficit	**(1,103,399)**	(91,122)	(139,279)
Shareholders' equity	**201,457**	1,166,541	1,120,123

	Three Months Ended June 30,		**Years Ended June 30,**	
Operations	**2018**	2017	**2018**	2017
	$	$	**$**	$
Professional fees	**669,906**	144,601	**869,670**	479,493
Filing fees	**16,871**	**-**	**16,871**	**-**
General and administrative expense	**43,215**	27,768	**52,847**	92,881
Other items	**14,255**	**-**	**14,255**	**-**
Net loss	**(744,247)**	(172,369)	**(953,643)**	(572,374)
Cumulative translation adjustment	**(9,460)**	(2,035)	**(11,441)**	(3,592)
Comprehensive loss	**(753,707)**	(174,404)	**(965,084)**	(575,966)
Basic and diluted loss per share	**(0.02)**	(0.01)	**(0.03)**	(0.03)

Results of Operations

Three months ended June 30, 2018

During the three months ended June 30, 2018, the Company recorded a net loss of $744,247 (2017 - $172,369) consisting largely of professional fees and general and administrative expense.

Year ended June 30, 2018

During the year ended June 30, 2018, the Company recorded a net loss of $953,643 (2017 - $572,374). The higher loss in the current year was mainly due to increase in professional fees of $869,670 (2017 - $479,493).

Summary of Quarterly Results

The following selected quarterly financial information of the Company is derived from the unaudited condensed interim consolidated financial statements prepared by management within acceptable limits of materiality and in accordance with International Financial Reporting Standards.

Quarter Ended	Net Loss	Loss Per Share
	$	**$**
September 30, 2016	(44,625)	(0.002)
December 31, 2016	(230,267)	(0.011)
March 31, 2017	(125,113)	(0.004)
June 30, 2017	(172,369)	(0.010)
September 30, 2017	(73,406)	(0.002)
December 31, 2017	(73,413)	(0.002)
March 31, 2018	(62,577)	(0.002)
June 30, 2018	**(744,247)**	**(0.021)**

Disclosure of Outstanding Share Data

Following the issuance of equity securities and warrants under the non-brokered private placement closed on February 3, 2017 and more fully described herein and in Note 5 to the consolidated financial statements for the year ended June 30, 2018, the following is a description of the outstanding equity securities and convertible securities previously issued by the Company:

Ordinary Shares	36,250,000 Ordinary Shares outstanding
Stock Options	411,971 Stock Options at an exercise price of $0.10 per Ordinary Share and 100,000 Stock Options at an exercise price of $0.20 per Ordinary Share.
Warrants	14,100,000 and 880,000 Warrants (80,000 Warrants at $0.05 and 800,000 Warrants at $0.10) entitling the holder to acquire One Ordinary Share at a price of $0.075 and $0.10 respectively per Ordinary Share up to 3 years from the date of issuance.
	503,750 Warrants entitling the holder to acquire One Ordinary Share at a price of $0.10 per Ordinary Share up to 5 years from the date of issuance.
	114,286 Warrants entitling the holder to acquire One Ordinary Share at a price of $0.45 per Ordinary Share up to 12 months from the date of issuance.
	The expiry date of the Warrants may be accelerated by the Company in certain circumstances as set out in the indenture governing the Warrants.
Debentures	Please see "Private Placement" for outstanding debentures.

As at June 30, 2018, the Company has 5,797,499 Ordinary Shares (2017 - 12,142,500) subject to an escrow agreement whereby 10% of the shares were released upon completion and approval of the Company's Qualifying Transaction. An additional 15% of the escrowed Ordinary shares will be released on each six month anniversary thereafter unless otherwise permitted by the Exchange.

The Company failed to complete its qualifying transaction in accordance with the Exchange policies within two years, which resulted in its transfer to the NEX board of the Exchange and 200,000 agent's options and 3,550,000 Ordinary Shares held by directors being cancelled.

Liquidity, Capital Resources, and Outlook

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2018, the Company had a cash balance of $67,223 (2017 - $15,055) to meet financial obligations of $1,170,622 (2017 - $183,677) and does not have sufficient cash to satisfy its liabilities. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal credit terms. See also Note 1 to the consolidated financial statements for the year ended June 30, 2018 for a discussion of going concern and the material uncertainties that could cast significant doubt about the Company's ability to continue as a going concern. The Company believes it can obtain additional equity financing in order to meet its liabilities as they come due and to continue with its business activities.

The Company's primary capital resources are mineral property interests. The Company capitalises all costs related to mineral properties. The Board of Directors is responsible for a quarterly review of the properties and any decisions toward impairment. If the property is considered impaired, accumulated costs are expensed at that time.

Net cash used in operating activities for the three months ended June 30, 2018 was $469,644 (2017 - $181,694). The net cash used in operating activities for the current period consists primarily of net loss, decrease in prepaid expenses and increase in accounts payable and accruals.

Net cash used in operating activities for the current year was $475,952 (2017 - $609,204). The net cash used in operating activities for the current year consists primarily of net loss, decrease in prepaid expenses and increase in accounts payable and accruals.

Net cash used in investing activity for the three months ended June 30, 2018 was $38,724 (2017 - $Nil), which was primarily related to exploration and evaluation assets expenditures.

Net cash used in investing activity for the current year was $44,994 (2017 - $Nil), which was primarily related to exploration and evaluation assets expenditures.

Net cash provided by financing activity during the three months ended June 30, 2018 was $586,753 (2017 - $175,000), which was primarily related to the net proceeds from convertible debentures. Cash provided by financing activity during the comparative period of the prior year was primarily related to the net proceeds from share capital issuance.

Net cash provided by financing activity during the current year was $586,753 (2017 - $622,384), which was primarily related to the net proceeds from convertible debentures. Cash provided by financing activity during the prior year was primarily related to the net proceeds from share capital issuance.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements as at June 30, 2018.

Critical Accounting Estimates and Policies

The Company's significant accounting policies are disclosed in Note 3 to the audited consolidated financial statements for the year ended June 30, 2018.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash and accounts payable and accruals. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values, as applicable.

Accounting standards issued but yet adopted during the year

IFRS 9, Financial Instruments ("IFRS 9")
IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities and supersedes the guidance relating to the classification and measurement of financial instruments in IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39").

IFRS 9 requires financial assets to be classified into three measurement categories on initial recognition: those measured at fair value through profit and loss, those measured at fair value through other comprehensive income and those measured at amortized cost. Investments in equity instruments are required to be measured by default at fair value through profit or loss. For financial liabilities, the standard retains most of the IAS 39 requirements.

IFRS 15, Revenue from Contracts with Customers ("IFRS 15")
The new revenue standard introduces a single principles-based, five-step model for the recognition of revenue when control of goods is transferred to, or a service is performed for, the customer. IFRS 15 also requires enhanced disclosures about revenue to help users better understand the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers.

The Company has assessed the impact of these standards and does not believe adoption of these standards will have a significant impact on its consolidated financial statements.

Accounting standards issued but not effective

A number of new standards, amendments to standards and interpretations, are not yet effective for the year ending December 31, 2018, and have not been applied in preparing these consolidated financial statements. The Company considers the following standard the most significant and is not a complete list of new pronouncements that may impact the financial statements.

IFRS 16 Leases ("IFRS 16")
IFRS 16 will replace IAS 17 Leases. IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Application of the standard is mandatory for annual periods beginning on or after January 1, 2019, with early application permitted. The Company continues to assess the impact of adopting this standard on its consolidated financial statements.

Risks and Uncertainties

The securities of the Company should be considered a highly speculative investment. The following risk factors should be given special consideration when evaluating an investment in any of the Company's securities:

a) the Company does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends until at least the successful exploration, development and ultimate production of its Concession in West Africa;

b) there can be no assurance that the Company will be able to obtain adequate financing to fully explore and develop this Concession; and

c) there can be no assurance that an active and liquid market for the ordinary shares will develop and an investor may find it difficult to resell its Ordinary Shares.

In addition, the Company is exposed to the following risk and uncertainties:

Foreign Operations
The Company's exploration and development activities are conducted in West Africa on the South Morila Concession located in the Sikasso Region of Southern Mali and as such the Company's operations will be exposed to various levels of political, economic and other risks and uncertainties. The risks include, but are not limited to, terrorism, hostage taking, military repression, expropriation, extreme fluctuations in currency exchange rates, high rates of inflation, labour unrest, the risk of war or civil unrest, renegotiation

or nullification of existing concessions, licences, permits and contracts, ability of governments to unilaterally alter agreements, surface land access issues, illegal mining, changes in taxation policies, restrictions on foreign exchange and repatriation and changing political conditions, currency controls and government regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies locally.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, environmental requirements, land and water use, could result in loss, reduction or expropriation of entitlements, or imposition of local or foreign parties as joint venture partners with carried or other interests. The occurrence of these various factors and uncertainties related to the economic and political risks of operating in West Africa cannot be accurately predicted and could have a material adverse effect on the Company's operations. In addition to internal controls, systems and processes, the Company will mitigate these risks by building positive sustainable relationships with local communities, vendors, and local, regional and federal governments, maintaining ongoing and transparent communications with stakeholders, a commitment to sustainability and best practices in corporate governance.

Government Regulation
The mineral exploration and development activities of the Company are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use and other matters. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could have an adverse effect on the Company's financial position and results of operations.

Environmental Regulation
As the Company initiates exploration and development activities, it will be subject to environmental regulation. Environmental legislation is evolving in a manner which will likely require stricter standards and enforcement, increased fines for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's financial position and results of operations.

Government approvals and permits are currently, and may in the future be, required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from proceeding with planned exploration and development of mineral properties.

Exploration Risk
The Company is seeking mineral deposits on exploration projects where there are not yet established commercial quantities. There can be no assurance that economic concentrations of minerals will be determined to exist on the Company's property holdings within existing investors' investment horizons or at all. The failure to establish such economic concentrations could have a material adverse outcome on the Company and its securities. The Company's planned programs and budgets for exploration work are subject to revision at any time to take into account results to date. The revision, reduction or curtailment of exploration programs and budgets could have a material adverse outcome on the Company and its securities.

Cost Risk
The Company will be exposed to industry wide cost pressures on capital expenditures as it conducts exploration and development activities. Increasing costs increases the risk of economic returns on its capital activities. The Company will implement cost management strategies to mitigate this risk.

Competition
Significant and increasing competition exists for the limited number of mineral property acquisition opportunities. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources, the Company may be unable to acquire additional attractive mineral properties on terms it considers acceptable.

Share Price Volatility
In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies, particularly junior mineral exploration companies like the Company, have experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurances that these price fluctuations and volatility will not continue to occur.

Other Risks
See Note 9 to the audited consolidated financial statements for the year ended June 30, 2018 for a description of credit, liquidity and market risks.

Related Party Transactions

Transactions with related parties are incurred in the normal course of business and are measured fair value.

During the year ended June 30, 2018, the Company incurred consulting fees of $461,056 (2017 - $80,651) payable to certain Directors and Officers. These fees are included in professional fees on the consolidated statement of loss and comprehensive loss. Amounts owing to related parties that are included in accounts payable and accruals at June 30, 2018 is $344,685 (2017 - $67,738) for services rendered and costs incurred on behalf of the Company.

Other Information

The policies of the TSX Venture Exchange prohibit Capital Pool Companies from carrying on formal investor relations activities. Corporate communications and investor inquiries are handled by the Directors of the Company. Additional information about the Company is available on SEDAR at www.sedar.com.