Group Eleven Resources Corp.

Interim Management Discussion and Analysis
For the Three Months Ended March 31, 2018

Group Eleven Resources Corp. (the "Company" or "Group Eleven") is headquartered in Vancouver, BC and its common shares trade on the TSX Venture Exchange ("TSX-V") under the symbol ZNG. This Interim Management's Discussion and Analysis ("MD&A") is an overview of all material information about the Company's operations, liquidity and capital resources for the three months ended March 31, 2018. The MD&A was prepared as of May 22, 2018 and should be read in conjunction with the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2018 and 2017 and the related notes contained therein which have been prepared under International Accounting Standard 34 – Interim Financial Reporting as issued by the International Accounting Standards Board. The following should also be read in conjunction with the Company's audited annual consolidated financial statements ("Financial Statements") and related notes for the years ended December 31, 2017 and 2016. All figures are in Canadian dollars unless otherwise stated. Additional information related to the Company is available for view on SEDAR at www.sedar.com and on the Company's website www.groupelevenresources.com.

Overview

Group Eleven is an emerging zinc exploration and development company, focused on using a two pronged, parallel approach, consisting of regional 'Big Think' combined with near-term growth though resource expansion and drill target testing to discover Ireland's next major zinc mine. Over the last three years, the Company has assembled the largest zinc ground position in Ireland, currently holding 99 licenses, comprising over 3,200 square km in five main properties which are highly prospective for Irish Type zinc-lead mineralization. Ireland ranks as one of the largest zinc producers in Europe and is host to some of the world's largest zinc deposits.

Q1 2018 Highlights

- The Company commenced drilling at two key projects, Ballinalack and Stonepark. The initial focus is on improving the understanding of the Pale Bed target at the Ballinalack project and structural controls on mineralization at Stonepark North. In total the Company had two rigs operating late in the first quarter, with one hole completing in the final week of March for which the Company is waiting on assay results. An additional drill was mobilized to the Stonepark project in the second quarter.
- On April 17, 2018 the Company announced a maiden independent Mineral Resource estimate for the Stonepark project of 5.3 million tonnes grading 11.15% Zn+Pb combined (8.55% zinc and 2.60% lead) in the Inferred Mineral Resource category (prepared in accordance with CIM guidelines). Further information is provided in the section Property Summary – Stonepark Project.

Report on Operations

During the quarter ended March 31, 2018, the Company completed the exploration plans for 2018 for four of the projects, Ballinalack, Stonepark, Silvermines, and PG West. The exploration plan includes both targeted exploration (drilling, ionic leach sampling), as well as, high level regional "re-think" work including reinterpretation of existing seismic and geological data, Tellus airborne geophysical survey work and ground gravity surveys.

Property Summary

Ballinalack Project

The Ballinalack project ("Ballinalack") covers approximately 312 square kilometres containing what is believed by the Company to be the second largest undeveloped zinc-lead occurrence in Ireland, after Glencore plc's Pallas Green deposit, and is located approximately 50 kilometres west from the currently producing Navan Zinc-Lead Mine (Boliden AB). The Company holds a 60% interest in Ballinalack Resources Limited ("BRL"), the legal entity that owns the licenses comprising Ballinalack. The remaining 40% of BRL is owned by Shenzhen Zhongjin Lingnan Nonfemet Company Limited ("Nonfemet"), one of the largest zinc producers in China. It is expected that each partner will fund its pro-rata share of exploration and development programs in 2018. The interest in BRL is consolidated, with the acquisition value of the project reflected in exploration and evaluation assets and ongoing exploration expenditures reflected on the income statement. The carrying value ascribed to Nonfemet's 40% interest in BRL is captured as non-controlling interest in the Financial Statements.

The most advanced zone of mineralization at Ballinalack comprises an historic estimate (7.7 million tonnes grading 7.3% Zn+Pb[1]) occurring higher in the stratigraphic section in the younger Waulsortian limestone. Since Ballinalack is one of the few places in Ireland where both the Waulsortian and Pale Beds limestones are present in the same place, the possibility exists for Navan style and scale mineralization at depth beneath the historic estimate. Several holes drilled historically in the Pale Beds at Ballinalack encountered strong to weak mineralization. Therefore, one of Group Eleven's major thrusts will be to seek additional Pale Beds hosted mineralization directly (but several hundred metres) beneath the strongest shallow mineralization.

In 2018, the Company announced initial findings from the re-interpretation of existing seismic data at Ballinalack. The findings provide a new interpretation of the regional structure of Ballinalack, specifically in the vicinity of the aforementioned historical estimate. The findings suggest that, in addition to the Ballinalack fault (adjacent to the historical estimate and northwest dipping), a previously unrecognized, larger structure (the "New Fault") dips to the southeast, placing known Ballinalack mineralization in the footwall of a major structure, rather than the hanging wall. Given the best mineralization in Ireland is most commonly found in the hanging wall of major faults, the re-interpretation has potentially significant implications for further exploration at Ballinalack, especially southeast of the historic estimate (now the postulated hanging wall). Notably, the author of the Study, Dr. Alastair Beach, was a key contributor on the seismic interpretations that led to the recent discovery of the Tara Deeps at the Tara (Navan) Mine, 50 km from Ballinalack.

During the three months ended March 31, 2018, the Company spent $194,377 (2017 – nil), primarily on drilling and continued work on the re-interpretation of existing seismic and Tellus survey data.

Stonepark Project

The Stonepark project ("Stonepark") holds six prospecting licenses ("PLs") covering an area of 183.5 square kilometres and hosting three main zones of known mineralization, Stonepark North, Stonepark and Stonepark West, located west of Glencore's Pallas Green deposit. The Company holds a 76.56% interest in TILZ Minerals Ltd. ("TILZ"), the legal entity that holds the licenses comprising Stonepark. The remaining 23.44% equity interest in TILZ is held by Connemara Mining Company plc ("Connemara"), an Ireland-based company focused on zinc and gold exploration. It is expected that each partner will fund its pro-rata share of exploration and development programs in 2018. The interest in TILZ is consolidated, with the acquisition value of the project reflected in exploration and evaluation assets and ongoing exploration expenditures reflected on the income statement. The carrying value ascribed to Connemara's 23.44% interest in TILZ is captured as Non-controlling Interest in the Financial Statements.

The Stonepark database consists of 57,742 metres of drilling, including 2,975 metres of historical (1960s to 1980s) drilling from Tara Prospecting, Conroy, Arcon and Greenhills, and 54,767 metres of recent (2007-2012) drilling by Teck. The Company has possession of all Teck core. The database also includes 18 line-kilometres of 2D seismic surveys, numerous geophysical (gravity, IP and other) and geochemical surveys.

The Company's primary focus at Stonepark will be to expand known mineralization and advance other target areas towards further discovery, utilizing a combination of seismic profiling integrated with tectono-stratigraphic basin evaluation and target drilling. During the three months ended

[1] Significant data compilation, re-drilling, re-sampling and data verification may be required by a qualified person before this historical estimate can be classified as a current resource. A qualified person has not yet undertaken sufficient work to classify this historical estimate as a current resource and the Company is not treating the historical estimate as a current resource.

March 31, 2018, the Company incurred $69,329 in exploration expenses at Stonepark, primarily related to ground gravity survey work which commenced late in the quarter.

On April 17, 2018 the Company announced a maiden independent Mineral Resource estimate for Stonepark of 5.3 million tonnes grading 11.15% Zn+Pb combined (8.55% zinc and 2.60% lead) in the Inferred Mineral Resource category (prepared in accordance with CIM guidelines). The Mineral Resource estimate was prepared by CSA Global (UK) Ltd. under contract to SLR Consulting Ireland and was based on drilling conducted by Teck Resources Limited (the previous operator) from 2007 to 2011. The deposit is relatively shallow (occurring at depths ranging from 190 metres to 395 metres) and consists of flat-lying, stratiform (1.0 to >7.5 metres thick) lenses of massive to semi-massive sphalerite, galena and pyrite hosted in thick (10 to >75 metres) hydrothermal alteration bodies (primarily black matrix breccia, or "BMB") within the Waulsortian limestone.

The Stonepark Mineral Resource estimate is contained within three main zones – Stonepark North, Stonepark West and Stonepark (see Exhibit 2 and 3). The bulk of the tonnage lies in the high-grade Stonepark North body which contains 4.0 million tonnes grading 11.95% Zn+Pb (9.10% zinc and 2.86% lead) and lies 190 metres to 240 metres below surface. The Mineral Resource was based on 88 diamond drill holes totaling 37,270m.

Zones comprising maiden Mineral Resource at Stonepark zinc project, Ireland

Area		Tonnes	Grades			Metal Content (lbs)		
	Resource Category	('000)	Zn (%)	Pb (%)	Zn+Pb (%)	Zn ('000)	Pb ('000)	Zn+Pb ('000)
Stonepark North	Inferred	4,000	9.10	2.86	11.95	794,700	249,600	1,044,300
Stonepark West	Inferred	900	6.82	2.22	9.04	130,900	42,500	173,400
Stonepark	Inferred	400	6.98	0.99	7.97	64,500	9,100	73,600
Total		**5,300**	**8.55**	**2.61**	**11.15**	**990,100**	**301,200**	**1,291,300**

Notes:

- Classification of the MRE was completed based on the guidelines presented by Canadian Institute for Mining (CIM), adopted for Technical reports which adhere to the regulations defined in Canadian National Instrument 43-101 (NI 43-101).
- Effective date as at 15 March, 2018.
- The estimation method used was 'ordinary kriging'.
- Inferred Mineral Resources are at 4.5% zinc equivalent cut-off grade.
- Zinc Equivalent (ZnEq) = (NSRPb+NSRZn+Mc+Pc)/(RZn*PZn*(PrZn-ScZn)-RZn*PZn*PrZn*(RoyZn/100))
- ZnEq cut-off grade (calculated from Net Smelter Return) using the following parameters:
- Zinc price of US$3,284/t, recovery 88%; Lead price of US$2,425/t, recovery 80%
- Concentrate grade 14.2% zinc, 4% lead
- Processing cost of US$21.25/t; Mining cost of US$46.50/t; Treatment charges of US$1.00/t of concentrates
- Payable zinc 85%, lead 96%, with selling cost zinc US$1,162/t metal and lead US$796/t metal
- Royalty of 4.5%
- The Mineral Resource estimates are not considered to be materially affected by any known environmental, permitting, legal, title, taxation, socio-economic, marketing or political, factors.
- Average silver grade for the Inferred Mineral Resource is 1.97 g/t.
- The Inferred Mineral Resource classification is based on geology, trends in mineralisation, drilling spacing, sampling QA/QC, estimation search pass number and number of samples, and zinc equivalent grade.
- Tonnages and metal are rounded to the nearest 100,000 to reflect this as an estimate.
- Average In-Situ Dry Bulk Density for mineralised material is 3.24 t/m3, based on available data.
- Mineralisation wireframes were constructed using a minimum true thickness of 2.0 m, at 2% Zn+Pb natural cut-off.

Silvermines

Silvermines covers 133 square kilometres and consists of 5 PLs obtained in September of 2016. An additional 16 PLs covering 582 square kilometres covering the northern portion of the Silvermines project was granted in Q1 2017. The Silvermines project is considered highly prospective for Irish Type zinc-lead deposits. The Cooleen prospect (e.g. 7.3 metres grading 16.0% Zn+Pb in hole NX-11) has seen little to no exploration activity over the past 20 years (the PLs were released from long-term moratorium in May 2015). The project is located adjacent to the historic Silvermines Zinc Mine which produced approximately 10.8 million tonnes grading 7.4% zinc and 2.7% lead between 1968 and 1982 (Boland et al, 1992). The Silvermines-Lisheen region is unique from a global perspective given that within a mere 30 kilometre radius, four past producing zinc mines exist – Galmoy, Lisheen, Tynagh and Silvermines – and four known zinc prospects – Rapla, Dearykearn, Crinkill and Cooleen.

For the three months ended March 31, 2018, the Company incurred $15,268 in exploration expenditures at Silvermines, primarily related to a structural study of the Silvermines property and completion of the basin study.

PG West

The PG West project comprises 34 PLs covering 1,055 square kilometres and is contiguous with the Company's other project, Stonepark, covering additional prospective stratigraphy. Licenses were granted to the Company during the fourth quarter of 2015 and in the first half of 2016. The project hosts the Carrickittle area, which is the third most advanced zinc prospect in the Pallas Green region, after Glencore's Pallas Green deposit and the Company's Stonepark project. Previous drilling results at Carrickittle have shown significant widths and grades at shallow depths, including 4.9 metres of 12.8% Zn/Pb and 3.1 metres of 18.1% Zn/Pb and 31 g/t silver. The Gortdrum prospect, located on the southeast part of the project, was discovered in 1966 and contained 4.2 million tonnes grading 1.2% copper and 23 grams per tonne ("g/t") silver (not National Instrument 43-101 compliant). Open pit mining occurred from 1967 to 1975 with total production of 38,000 tonnes copper and 2.9 million ounces silver. Over 20,000 metres of drilling has been conducted historically but constrained primarily to the historic ore body. Exploration ceased in the late 1970s. The project lay dormant for the ensuing three decades, in part because, contrary to standard practice, no PLs were reinstated over the mine site after the mining lease expired in 1986. The clerical error was identified by the Company, which subsequently applied for and received the PLs. Another prospect, Oola, is known to be an area of extensive historic silver-lead and copper workings, with records as early as the 13th Century. Group Eleven aims to determine if the Oola veins are part of a larger structural corridor within the Limerick basin, with potentially significant zinc exploration potential along trend.

For the three months ended March 31, 2018, the Company incurred $19,562 in exploration expenditures at PG West, primarily related to structural reinterpretation of the Limerick basin and commencement of the Limerick basin study covering the PG West and Stonepark properties.

Tralee

The Tralee project covers approximately 513 square kilometres and consists of seven PLs in the Kerry Head and Fenit areas and an additional eight PLs in the Castleisland area. The project area is underlain by two regional anticlines of Waulsortian (WL) limestone along the 'Navan-Silvermines' and 'Rathdowney' mineralized trends, respectively. The project hosts high-grade drill intercepts (up to 17% Zn+Pb) and a number of lead-silver, zinc and copper showings (including medieval mine workings). There is significant historical drilling (approximately 14,000 metres) on the property, however, much of this was shallow (especially at Kerry Head where drilling was completed to approximately 20 metre depths, intending to verify only geology and faulting).

The Company views Tralee as one of the most overlooked parts of the 'Irish Orefield'. One of the key aims for Group Eleven is to determine if the Castlemaine prospect hosts significant zinc (and silver) mineralization. A galena-rich grab sample from surface float at the Castlemaine prospect was recently assayed and returned 223 g/t Ag, 13.5% Zn and 17.9% Pb, representing the highest silver grade observed to date on the Tralee project. This compares to a sphalerite-rich float sample collected by the Company at Castlemaine, which returned an assay of 50.5% zinc and 8.9 g/t silver. Both samples are believed to be derived from dumps from medieval workings in the area.

For the three months ended March 31, 2018, the Company has not incurred any exploration expenditures at Tralee, reflecting spending requirements in the first half of 2018 on the Ballinalack and Stonepark projects.

Exploration Property Expenditures

Exploration and evaluation expenditures incurred by the Company, excluding acquisition costs, have been cumulatively expensed in the condensed consolidated interim statements of loss and comprehensive loss, the details of which are as follows:

	Three Months ended March 31, 2018	From Acquisition to March 31, 2018
Ballinalack Project	$ 194,377	$ 268,081
Stonepark Project	69,329	90,699
Silvermines Project	15,268	290,574
PG West Project	19,562	163,527
Tralee Project	–	287,303
Ferbane and Kilkenny Projects	–	17,108
Total Cumulative Expenditures	**$ 298,536**	**$ 1,117,292**

Results from Operations

All figures have been adjusted to reflect the impact of change in accounting policy for exploration and evaluation costs. See "**Change in Accounting Policies**" below and refer to Note 2 of the condensed consolidated interim financial statements as well as Note 17 of the Financial Statements.

The following is a summary of results from the Company's annual consolidated financial statements on an annual basis:

Three months ended March 31	**2018**	**2017 Restated**
Loss and Comprehensive loss	$ (731,479)	$ (353,918)
Basic and diluted loss per share	(0.02)	(0.01)

As at	**March 31, 2018**	**December 31, 2017**
Cash	$ 4,060,079	$ 5,050,079
Total Assets	13,279,236	14,194,667
Share capital	13,027,584	13,027,584
Deficit	(3,838,726)	(3,202,592)
Non-controlling Interest	2,952,474	3,047,819

For the three months ended March 31, 2018, the loss and comprehensive loss was $377,561 higher than the same period in 2017 as a result of the following:

- Exploration expense increased $106,923 (56%) from 2017 as a result of increased drilling activity ($34,000 higher than 2017) and fieldwork on Ballinalack and Stonepark.
- Personnel costs (management fees and salaries) increased $101,777 from 2017 due to increased salaries upon completion of the Offering and additional personnel hired during the

period for exploration activity.

- General and administrative costs were $70,237 higher in 2018 compared with 2017 as a result of higher travel costs and increased compliance and regulatory costs as the Company completed the Offering late in 2017.
- Marketing and investor relations costs increased $118,472 from 2017 as the Company increase attendance at conferences and launched several marketing initiatives to increase investor information and awareness after completing the offering in 2017.

These increases were offset by a $23,457 decrease in professional fees and $12,940 of interest income earned on cash and cash equivalent balances.

Cash decreased $990,000 from 2017 as a result of the loss from operations ($731,479) and a drawdown in working capital as the remaining transaction costs (primarily legal) pertaining to the 2017 Offering were paid during the three months ended March 31, 2018.

The following selected financial information is a summary of the eight most recently completed quarters up to March 31, 2018 (as restated – see **Change in Accounting Policies**).

	March 31, 2018	**Dec 31, 2017**	**Sept 30, 2017**	**June 30, 2017**	**March 31, 2017**	**Dec 31, 2016**	**Sept 30, 2016**	**June 30, 2016**
Comprehensive Loss	$ 731,479	$ 768,884	$ 744,815	$ 584,420	$ 353,918	$ 573,583	$ 82,926	$ 110,171
Basic and Diluted Loss per Share	0.02	0.02	0.02	0.02	0.01	0.03	0.00	0.01

In 2016, Group Eleven focused on expanding the land position in Ireland and began attracting key personnel, increasing compensation and consulting costs. The Company also granted stock options in the fourth quarter of 2016 to MAG Silver Corp., a strategic investor in the Company, resulting in a higher non-cash compensation expense. The Company increased exploration in 2016, increasing data compilation and analysis activities and initiating fieldwork on properties acquired in 2015 and 2016 (geophysical surveys and drilling).

During 2017, Group Eleven completed the initial public offering for $5,000,000 and successfully listed the shares of the Company on the TSXV. The Company also completed two acquisitions from Teck, the first for a 60% interest in Ballinalack on June 30, 2017 for total consideration, including advisory fees, of $3,650,000, and the second for a 76.56% interest in Stonepark on September 8, 2017 for total consideration of $2,150,000. In conjunction with these acquisitions the Company completed two private placements (in addition to the $115,148 raised in the first quarter of 2017), the first for $3,834,461 and the second for $1,200,000, providing financing for the acquisition of BRL and TILZ, respectively, and for budgeted exploration expenditures. The Company also completed initial drilling and magnetics survey work at the Silvermines Project and commenced work on the structural re-interpretation of the area. Drilling was also completed at the Castlemaine and Fairy Gate areas on the Tralee project, as well as, the Oola area on the PG West project.

In the first quarter of 2018, the Company commenced drilling at the Ballinalack and Stonepark projects and commenced work on a ground gravity survey at Stonepark. The Company is also conducting ionic leach soil sampling and continuing the re-interpretation of existing seismic and geological data.

Liquidity and Capital Resources

The Company had cash of $4,060,079 at March 31, 2018 compared to $5,050,079 at December 31, 2017.

Late in 2017, the Company completed the initial public offering issuing 12,500,000 units at $0.40 per unit, raising total proceeds of $5,000,000. During the first quarter of 2018 the proceeds have primarily been used to fund exploration and personnel costs, as well as, marketing initiatives.

The Company has forecast its cash requirements for the next year and believes it has sufficient cash resources and liquidity to sustain its planned administrative costs and exploration activities. This assessment is based on the Company's budget, its available cash and the discretionary nature of certain of the Company's expenditures, which can be deferred as required without significant impact on the Company or its mineral properties. Certain expenditures are required in 2018 in order to maintain existing license holdings at Ballinalack, Stonepark, and PG West based on two-year minimum spending requirements. For 2018, these are approximately $400,000, $415,000, and $440,000, respectively, not reflecting the relevant amounts that would be recovered from the joint venture partners for Ballinalack and Stonepark (approximately $160,000 and $97,276, respectively).

As of March 31, 2018, the Company has incurred exploration costs of $194,377, $69,329, and $19,562, towards the minimum spending requirements for Ballinalack, Stonepark, and PG West, respectively. Priority has been placed on the Ballinalack and Stonepark projects as the deadlines for this work are earlier in the year relative to PG West.

Financial Instruments

The Company's activities potentially expose it to a variety of financial risks, including liquidity risk, interest rate risk, foreign exchange currency risk, and commodity price risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. As at March 31, 2018 the Company had working capital of $3,918,711(December 31, 2017 - $4,644,747). Management believes that the Company has sufficient financial resources to meet its obligations as they come due.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is currently not exposed to any interest rate risk as cash is held in a non-interest bearing account and the Company does not hold any interest bearing liabilities.

Foreign Exchange Risk

The Company's functional currency is the Canadian dollar. There is a foreign exchange risk to the Company as its exploration and evaluation property interests and resulting future commitments are located in Ireland. The Euro translation rate has experienced volatility over the last several years as a result of monetary policies adopted by the European Central Bank. Management monitors its foreign currency balances and makes adjustments based on anticipated need for currencies. The Company has a policy of not engaging in hedging activities to address this foreign currency risk. At March 31, 2018, the Company had Euro denominated current assets of €330,804 and Euro denominated current liabilities of €226,713. Accordingly, a 10% change in the foreign exchange rate would result in a $16,518 credit or charge to operations.

Commodity Price Risk

While the value of the Company's exploration and evaluation assets is related to the price of zinc and other minerals, the Company currently does not have any operating mines and hence does not have any hedging or other commodity based risks with respect to its operational activities. Zinc and other mineral prices have historically fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, the perception of market participants about the price and future price prospects for zinc, changes in manufacturing and construction activity, as well as, other industrial demands, levels of worldwide production, and forward sales by producers and speculators.

Contractual Obligations

The Company does not have any contractual obligations as at March 31, 2018.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements and no short or long-term debt obligations.

Related Party Transactions

The 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 consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Their remuneration includes the following:

		March 31,	
	Position	**2018**	**2017**
Management fees paid or accrued to:			
David Furlong (Note 1)	COO	$ –	$ 21,161
John Barry (Note 2)	VP	28,167	19,395
Salaries and benefits paid or accrued to:			
Bart Jaworski (Note 3)	CEO, Director	97,039	15,087
David Furlong (Note 1)	COO	40,212	–
Shaun Heinrichs (Note 4)	CFO	33,000	9,000
Rebecca Furlong (Note 5)	Geologist	13,053	10,850
Professional fees paid or accrued to:			
Andrew Farncomb (Note 6)	Director	–	8,464

Note 1: Compensation paid to David Furlong for the three months ended March 31, 2018 and 2017 have been reported as salaries and benefits (2018 - $26,689; 2017 – nil), management fees (2018 - nil; 2017 - $9,706), or exploration expense (2018 - $13,523; 2017 - $11,455).

Note 2: Compensation paid to John Barry for the three months ended March 31, 2018 and 2017 have been reported as management fees.

Note 3: Compensation paid to Bart Jaworski for the three months ended March 31, 2018 and 2017 have been reported as salaries and benefits.

Note 4: Compensation paid to Shaun Heinrichs for the three months ended March 31, 2018 and 2017 have been reported as salaries and benefits and management fees, respectively.

Note 5: Compensation paid to Rebecca Furlong for the three months ended March 31, 2018 and 2017 have been reported as salaries and benefits (2018 – $2,946; 2017 - $2,669) or exploration expense (2018 - $10,107; 2017 – $8,191).

Note 6: The professional fees paid to Andrew Farncomb or a company controlled by him are reported as professional fees. Andrew Farncomb ceased being an insider of the Company on October 6, 2017.

Outlook

The Company is focusing on a two-pronged parallel approach: (a) drill testing high-specificity targets at Ballinalack, Stonepark, Silvermines and other properties; and (b) regional tectono-stratigraphic and structural analysis predominantly aimed at the southwest of Ireland (the historically overlooked part of the Irish "orefield").

Over the next 12-15 months, the Company will focus on drill testing targets identified during 2016 and 2017 and generating a number of new high-specificity drill targets which are likely to emerge as data compilation nears completion.

In parallel, the Company will aim to re-evaluate the currently held beliefs about the geology and mineralization controls in Ireland. To achieve this, the Company will rely on seismic surveys and detailed data compilation which will feed into an overall tectono-stratigraphic analysis. This analysis will aim to decipher the basin evolution of the region and distill the most prospective faults and structural corridors for further exploration.

The Company has prepared an exploration budget for 2018 of $2.0 million (less $0.5 million of recoveries from joint venture partners) and an additional $1.3 million of corporate costs. A similar amount is expected to be spent in 2019, however final plans for 2019 will depend partially on results from work completed in 2018 and available funding. Exploration spending in 2018 is anticipated to be split between Ballinalack (27%), Stonepark (26%), PG West (23%) and Silvermines (20%) with the majority of the spending on Ballinalack occurring in the first half of 2018. The remaining 4% allocated to Tralee, which had significant exploration in 2017, is focused primarily on data review and compilation.

At Ballinalack, drilling is focusing on improving the understanding of the Pale Bed target, with subsequent drilling meterage and locations determined based on results from this initial drilling. In conjunction with drilling, the Company has begun ionic leach soil sampling, rock properties surveying (on historic drill core), interpretation of recent Tellus airborne geophysics data, and further re-interpretation of existing seismic and geologic data. This work will be used to refine further drill targets on the property and also help with the Company's ongoing efforts towards "big-picture regional rethink" in Ireland.

Drilling at Stonepark commenced early in the second quarter and is initially focusing on the Stonepark North prospect to improve the understanding of the structural controls on mineralization. The Company will evaluate whether the exploration success at the adjacent Pallas Green property can be replicated within the same Waulsortian limestone units in the Company's extensive adjoining project area. Group Eleven aims to expand the Stonepark North, Stonepark West and Stonepark zones (discovered by Teck Resources Ltd in 2007 and 2009), test five existing regional prospects and rethink the entire Limerick basin (which underlies Stonepark and the contiguous PG West project) to ascertain potential for CRD (carbonate replacement deposit) type mineralization and seek large regional feeder structures and corridors.

The Company will also undertake detailed ground gravity survey and ionic leach soil sampling and participate in an upcoming Tellus airborne survey, which will cover the Company's Stonepark project, the contiguous PG West project and the Company's nearby Silvermines project. The survey will consist of 24,700 line km (collecting Magnetics, EM and Radiometrics data) and is scheduled to commence in May 2018.

Critical Accounting Estimates

The preparation of the Company's consolidated financial statements requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities; the disclosure of contingent assets and liabilities; as well as, the reported expenses during the reporting period. Such estimates and assumptions affect the determination of the carrying value and the recoverability of exploration and evaluation assets and the inputs used in calculating the fair value of share-based payment expense. Management re-evaluates its estimates and assumptions on an ongoing basis; however, due to the nature of estimates, actual amounts could differ from its estimates. The most critical accounting estimates upon which the Company depends are those requiring estimates of reserves and resources, future recoverability of assets, and assumptions around future commodity prices.

Share-based Payments

The Company provides compensation benefits to its employees, directors, officers and consultants through a share-based compensation plan. All share-based awards are measured and recognized based on the grant date fair value. Fair value is determined using the Black Scholes option pricing model. As the Company does not have a material trading history, the volatility was determined based on the junior gold miners index (GDXJ). The Company utilizes historical data to estimate the expected option term for input into the valuation model. The risk free rate for the expected term of the applicable option is based on the risk free lending rate for the Bank of Canada.

Change in Accounting Policies

Effective December 31, 2017, the Company voluntarily changed its accounting policy exploration and evaluation costs under IFRS 6 from recognition of costs directly related to the exploration and evaluation of mineral properties as exploration and evaluation assets to expensing as incurred. The Company believes that this change to accounting policy will provide more relevant and useful information to the users of the financial statements. This change in accounting policy has been applied retrospectively. An explanation of how the transition from the amounts previously reported has affected the Company's financial position, financial performance and cash flows is set out in Note 2 of the condensed consolidated interim financial statements for the three months ended March 31, 2018 and Note 17 of the audited annual consolidated financial statements for the year ended December 31, 2017.

Recently Adopted Accounting Policy Changes

Effective January 1, 2018, the Company adopted IFRS 9 *Financial Instruments* ("IFRS 9"). IFRS 9 sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. The standard introduces additional changes relating to financial liabilities. It also amends the impairment model by introducing a new 'expected credit loss' model for calculating impairment.

IFRS 9 also includes a new general hedge accounting standard which aligns hedge accounting more closely with risk management. This new standard does not fundamentally change the types of hedging relationships or the requirement to measure and recognize ineffectiveness; however it will provide more hedging strategies that are used for risk management to qualify for hedge accounting and introduce more judgment to assess the effectiveness of a hedging relationship. Special transitional requirements have been set for the application of the new general hedging model.

The adoption of IFRS 9 did not have a material impact on the Company's financial statements.

Disclosure Controls and Procedures

The Company'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 their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitation 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 National Instrument 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.

Outstanding Share Data

As at May 22, 2018, there were 59,777,477 common shares outstanding and there were warrants outstanding to purchase an aggregate of 17,882,950 common shares. This includes 4,632,950 of warrants held by MAG Silver, which holds approximately 15.8% of the Company's outstanding common shares. The Company also issued 330,000 stock options in the first quarter of 2018 to directors and employees of the Company.

Risks and Uncertainties

In conducting its business, Group Eleven faces a number of risks and uncertainties, many of which are beyond its ability to control or predict. Because of these risks and uncertainties, actual results may differ materially from those expressed or implied by forward-looking statements, and investors are cautioned not to place undue reliance on such statements, which speak only as of the date hereof. Investors are urged to review the discussion of risk factors associated with the Company's business as set out in the Company's annual Management Discussion and Analysis for the year ended December 31, 2017 as well as in the Company's audited consolidated financial statements (under the headings "Nature and Continuance of Operations" and "Significant Accounting Policies" and elsewhere within that document) for the year ended December 31, 2017, as filed on the SEDAR website at www.sedar.com.

Forward Looking Information

This MD&A provides management's analysis of Group Eleven's historical financial and operating results and provides estimates of Group Eleven's future financial and operating performance based on information currently available. Actual results will vary from estimates and the variances may be significant. Readers should be aware that historical results are not necessarily indicative of future performance.

Certain information set forth in this MD&A, including management's assessment of the Company's future plans and operations, contains forward-looking information. By their nature, forward-looking information is subject to numerous risks and uncertainties, some of which are beyond the Company's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility and ability to access sufficient capital from internal and external sources. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be inaccurate and, as such, undue reliance should not be placed on forward-looking information. Group Eleven's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur or, if any of them do so, what benefits Group Eleven will derive there from. Group Eleven disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise except as required by applicable law.