

MERIDIUS RESOURCES LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE MONTHS ENDED NOVEMBER 30, 2017

This discussion and analysis of financial position and results of operation is prepared as at January 29, 2018 and should be read in conjunction with the unaudited condensed interim financial statements and the accompanying notes for the three months ended November 30, 2017 of Meridius Resources Limited ("Meridius" or "the Company"). The following disclosure and associated condensed interim financial statements are presented in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following management's discussion and analysis ("MD&A") are quoted in Canadian dollars.

Forward Looking Statements

This MD&A contains certain statements that may constitute "forward-looking statements". Forward-looking statements include but are not limited to, statements regarding future anticipated business and financing plans. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: "anticipate," "believe," "plan," "estimate," "expect," "intend" and similar expressions to the extent that they relate to the Company or its management or which by their nature refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including the ability to raise the necessary capital or to be fully able to implement its business strategies.

Forward-looking statements are not historical facts, but reflect the Company's current expectations and assumptions regarding future results or events. In particular, fluctuations in the securities markets may cause significant reductions in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to continue operations.

All of the Company's public disclosure filings, including its final long-form prospectus, technical reports and other information, may be accessed via www.sedar.com and readers are urged to review these materials.

Company Overview

The Company is a reporting Company in British Columbia and Alberta and is in the process of listing its common shares on the TSX Venture Exchange ("TSXV") as a Tier 2 resource company. On December 20, 2017 the Company filed its final long form prospectus (the "Prospectus") to conduct an initial public offering (the "IPO") to qualify the distribution (the "Offering") of 6,500,000 common shares of the Company at a price of \$0.10 per share for aggregate gross proceeds of \$650,000. On December 21, 2017 the Prospectus was receipted by the British Columbia Securities Commission (the "BCSC"). The Company's principal office is located at #1305 - 1090 West Georgia Street, Vancouver, British Columbia.

The Company is a junior mineral exploration company currently engaged in the acquisition and exploration of mineral properties. On August 10, 2017 the Company entered into an option agreement (the "Option Agreement") with Telford Management Ltd. ("Telford") a private corporation incorporated in BC to acquire a 100% interest in 36 mineral claims comprising the Bonneville Gold Property located in the Province of Quebec. The Company's option on the Bonneville Gold Property is its principal asset.

Exploration Project

Bonneville Gold Property

The Bonneville Gold Property consists of 36 mineral claims that cover approximately 2,018.29 hectares located 215 km north-east of the city of Val-d'Or and 70 km north-east of the town of Lebel-sur-Quévillon in the province of Québec. The Company is the operator of the Bonneville Gold Property.

On August 10, 2017, the Company entered into the Option Agreement pursuant to which the Company may earn and acquire a 100% interest in the Bonneville Gold Property by:

- (a) making cash payments to Telford in the following amounts:
 - (i) \$5,000 within five business days following the date of execution of the Option Agreement (paid);
 - (ii) \$15,000 within 21 business days following the date of execution of the Option Agreement (paid);
 - (iii) \$50,000 on or before the date that is 14 months after the date of the listing date ("Listing"); and
 - (iv) \$150,000 on or before the date that is 24 months after the date of the Listing; and
- (b) issuing and delivering to Telford 200,000 common shares within five business days of the date of the Listing; and
- (c) incurring expenditures on the Bonneville Gold Property in the amount of \$750,000 on or before the date that is 24 months after the date of the Listing.

Once the Company acquires a 100% right, title and interest in and to the Bonneville Gold Property and upon commencement of commercial production, a 1% net smelter returns royalty (the "Royalty") will be payable to Telford on all minerals produced from the Bonneville Gold Property in accordance with the provisions of the Option Agreement. The Company has the right to purchase the Royalty from Telford for \$1,000,000 at any time. Moreover, in the event that the date of the Listing is later than March 1, 2018, the Company must pay Telford an additional \$25,000 on or before March 3, 2018.

Technical Report

The Company commissioned Abby Peterson, B.Sc., P. GEO. (the "Author"), of Exploration Facilitation Unlimited Inc., to prepare a technical report, entitled the "Technical Report on the Bonneville Gold Project, Miquelon, Québec, Canada" (the "Technical Report") in accordance with Canadian National Instrument 43-101 ("NI 43-101"). The Technical Report is dated with an effective date of August 10, 2017 and was prepared in accordance with NI 43-101 Standards of Disclosure for Mineral Projects. A copy of the Technical Report is available for viewing on the Company's profile on SEDAR at www.sedar.com.

Property Description and Location

The Bonneville Gold Property is located within the Duplessis Township mid-way between the Val-d'Or and Chibougamau mining districts, 215km north-east of the city of Val d'Or and 70km north-east of the town of Lebel-sur-Quévillon. The Bonneville Gold Property is bisected by provincial highway #113 that runs from Transcanadian highway #117 to the town of Chibougamau, providing year-round access to the claims. Val-d'Or is a major full-service center for exploration in the region and offers daily flights to and from Montreal.

Mineral Tenures and Claim Ownership

The Bonneville Gold Property is comprised of 36 claims, acquired through map designation in September of 2016, and covers a total of 2,018.29 hectares. The dispositions are registered to Telford.

There are no land claim issues, ownership disputes pending on the Property or environmental concerns/liabilities. The claims have not been surveyed by Telford while in their possession. The claims give the Company the rights to explore and identify resources below the bedrock, but do not include surface rights

Required Permits and Reporting of Work

The claims must be renewed every two years on their expiration date, at which time renewal fees must be paid to maintain ownership. Each claim also requires a minimum number of dollars spent on exploration work over the two-year period, with a report describing the works performed due 60 days before the renewal date of said claims. If works are not performed, the owner may pay an amount varying between 100-200% of the amount required to be spent on the claims to be able to renew the claims. If an excess of money has been spent on claims, the amount can be credited forward (over a maximum of six (6) renewal cycles) and/or can be applied to any other claims still requiring expenditures, as long as those claims are within a 4.5km radius of the claim posting an excess in spending.

The Québec Government requires that the owner of the claims consult the Ministère des Forêts, de la Faune et des Parcs (MFFP) as soon as exploration work requires cutting down any size or type of tree or the construction of permanent structures on the claims. For example, line-cutting and diamond drilling would require the acquisition of a permit (Permis d'intervention) as well as First Nations consultations before any work can begin. It also requires hiring

a forestry technician to estimate the volume of merchantable timber that will be cut during the work in order to assess the proper stumpage fees to be paid.

There are no formally registered land owners on the claims and no current commercial logging in the area, therefore there are no known restrictions to land-use on the claims. However, as per Québec law, notice must be provided to the local community 30 days prior to performing any exploration work.

Due to the fact that First Nations must be consulted before any type of major work is performed on the claims (construction, diamond drilling, line cutting, stripping or trenching), breaks in communications between the government and First Nations could result in delays in issuing the permits required to begin work on the Bonneville Gold Property. There are no other known risks or factors that could affect the ability to perform work on the Bonneville Gold Property.

Accessibility and Climate

Access

Access to the Bonneville Gold Property is via provincial highway #113, which connects the Trans Canadian highway (#117 from Val-d'Or) to Chibougamau, Québec. The highway bisects parts of the Bonneville Gold Property in an east-west direction, allowing easy year-round access by car or truck. Val-d'Or is an important economic center for the region, with a population of 32,000 with daily flights and bus service from Montreal. Further, numerous former logging roads, both maintained and unmaintained, criss-cross the Property, allowing easy access to the claims from the highway by truck, foot, ATV or snowmobile depending on the season. A rail bed cuts through the Bonneville Gold Property from the south of Lac Burge to Miquelon 5km to the east, providing excellent access to a number of the southern-most claims.

Climate

The Bonneville Gold Property experiences moderate relief occasionally broken up by cliffs and steep hills. The Property is at an elevation of approximately 315m above sea level with the highest point on the claims at approximately 380m above sea level. Rock exposure on the claims is limited, with less than 5% outcrop and large wetlands covering the southern portion of the Property between Lac Burge and Lac Rochester. Vegetation consists predominantly of Boreal forests and swamps. Several of the most southerly claims partially overlie Lakes Burge and Rochester.

Climate data is from Environment Canada's Climate Normals metadata, collected at the Lebel-sur-Quévillon meteorological station between 1981 and 2010 (http://climate.weather.gc.ca/climate_normals/ accessed January 28th 2017).

The region experiences a subarctic climate with average daily temperatures of -18°C in January, 17.2°C in July and an annual average of 1°C. The daily minimum was -23.6°C in January and the daily maximum was 23.1°C in July. Peak rainfall occurs in July with an average of 120.6mm and a total of 702.3mm for the year. Snowfall peaks in December with an average of 52.3cm and a total annual snowfall of 226.2cm. Annual precipitation is 927.8mm. Work at Bonneville can be performed year-round, however areas of the Property covered in wetlands and swamps would be best explored in the fall when ground water levels are at their lowest, or in the winter months when the ground is frozen and access is easier.

Planned Exploration

Upon closing of the Offering the Company intends to complete Stage 1 of the exploration program as recommended by the Author of the Technical Report. In the event that the results of the Stage 1 program does not warrant further exploration activity, the Company will revise its business plan and objectives, which may include the acquisition of additional mineral properties.

Selected Financial Data

The Company was incorporated and commenced operations as of July 10, 2017. Accordingly, there are no comparative figures for the three months ended November 30, 2016. The following selected financial information is

derived from the unaudited condensed interim financial statements of the Company for the three months ended November 30, 2016 and the audited financial statements for the period ended August 31, 2017.

	Fiscal 2018	Fiscal 2017
	Three Months Ended Nov. 30, 2017 \$	Period from July 10, 2017 to Aug. 31, 2017 \$
Operations:		
Revenues	Nil	Nil
Expenses	(89,156)	(127,219)
Other item	429	Nil
Comprehensive loss	(88,727)	(127,219)
Loss per share - basic and diluted	(0.02)	(0.10)
Balance Sheet:		
Working capital	65,088	107,281
Total assets	141,088	137,781

Results of Operations

Three Months Ended November 30, 2017 Compared to Period from Jul 10, 2017 to August 31, 2017

Activities during the three months ended November 30, 2017 and the prior period ended August 31, 2017 were limited. During the three months ended November 30, 2017, the Company reported a net loss of \$88,727 compared to a net loss of \$127,219 for the period ended August 31, 2017. During the three months ended November 30, 2017 the Company recognized share-based compensation of \$84,000 on the granting of share options to purchase 1,050,000 common shares of the Company. During the period ended August 31, 2017, the Company recognized share-based compensation of \$122,500 based on the difference of the deemed fair value of common shares issued in a private placement and the actual amount paid.

Financing Activities

During the period ended August 31, 2017 the Company completed private placements totalling 5,050,000 common shares for cash proceeds of \$130,000.

Financial Condition / Capital Resources

At November 30, 2017, the Company has working capital of \$65,088. The Company will need to raise additional capital from the sale of common shares or other equity or debt instruments to complete the acquisition of the mineral properties and conduct planned exploration expenditures and corporate overhead over the course of the next twelve months. If the Company is unable to raise the necessary capital and generate sufficient cash flows to meet obligations as they come due, the Company may have to reduce or curtail its operations or obtain financing at unfavourable terms.

On December 20, 2017 the Company and Haywood Securities Inc. (the “Agent”) entered into an agency agreement relating to the IPO to raise \$650,000 gross proceeds. The proceeds from the IPO will be used to conduct the Stage 1 program on the Bonneville Gold Property and to general working capital.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

There are no proposed transactions.

Changes in Accounting Principles

There are no changes in accounting policies.

Related Party Disclosures

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 members of the Company's Board of Directors and executive officers.

During the three months ended November 30, 2017 the Company incurred:

- (a) a total of \$79,200 for share-based compensation for share options granted to key management personnel as follows: Dylan Sidoo, CEO, President and director - \$28,000; Jordan Sidoo, director - \$28,000; David Sidoo, director - \$16,000; and Nick DeMare, CFO and director - \$7,200;
- (b) \$4,500 for accounting and administration services provided by Chase Management Ltd. ("Chase"), a private corporation owned by Nick DeMare the Chief Financial Officer of the Company. As at November 30, 2017 \$500 remained unpaid; and
- (c) share-based compensation of \$4,800 for share options granted to Chase.

All the payments are considered related party transactions and are in the normal course of operations and have been measured at the agreed to exchange amounts, which is the amount of consideration established and agreed to by the related parties.

Outstanding Share Data

The Company's authorized share capital is unlimited common shares without par value and unlimited preferred shares without par value. As at January 29, 2018, there were 5,050,000 outstanding common shares and 1,050,000 share options outstanding with an exercise price of \$0.10 per share.