CENTRAL TIMMINS EXPLORATION CORP.

Management's Discussion and Analysis

**For the year ended December 31, 2018**

**April 8, 2019**

*"Note: Management's Discussion and Analysis for the year ended December 31, 2018 has been re-filed with an effective date of April 8, 2019 in accordance with Item 1.1 of Part 2 of Form 51-102F1."*

*Management's discussion and analysis (MD&A) is current to April 8, 2019 and is management's assessment of the operations and the financial results together with future prospects of Central Timmins Exploration Corp. ("CTEC" or the "Company"). This MD&A should be read in conjunction with the audited financial statements for December 31, 2018 and related notes, prepared in accordance with International Financial Reporting Standards ("IFRS"). All figures are in Canadian dollars unless stated otherwise. This discussion contains forward-looking statements that are not historical in nature and involves risks and uncertainties. Forward-looking statements are not guarantees as to CTEC's future results as there are inherent difficulties in predicting future results. Accordingly, actual results could differ materially from those expressed or implied in the forward-looking statements. The Company has adopted National Instrument 51-102F1 as the guideline in presenting the MD&A.*

### Description of Business

The Company is a junior mining, exploration and development company engaged in the acquisition, exploration and development of mineral resource properties in Canada. The Company was formed under the *Business Corporations Act* of Canada as Central Timmins Exploration Corp. on November 10, 2017 by articles of incorporation.

The business objective of the Company is acquiring land and exploring for base and precious metals deposits in the Timmins Camp of Ontario.

On December 22, 2017 the Company entered into a definitive purchase and sale agreement (the "Agreement") to purchase the Timmins mineral exploration properties from Claim Post Resources Inc. ("Claim Post"), for a cash consideration payable at closing of $350,000 and a Net Smelter Returns Royalty (the "NSR") payable to Claim Post that varies from 1% to a maximum of 2%, depending upon the claims and the pre-existing NSR burden. The NSR provides CTEC the option to buy Claim Post's NSR for cash consideration of $1,500,000 within 24 months of closing, and if the buyout is not fully exercised, the NSR payable to CTEC is capped at $5,000,000 total, proceeds net (excluding any buyout payments) to Claim Post. The transaction closed on January 8, 2018 and the $350,000 payment to Claim Post was made. The transaction was subject to regulatory and third-party approvals and customary conditions precedent. No finder's fees were payable in connection with the transaction.

The Company's initial focus was on closing the transaction with Claim Post. With successful completion in January 2018, CTEC engaged a consultant to complete a National Instrument 43-101 ("NI 43-101") technical report for the acquired properties and has completed an Initial Public Offering to provide funding for working capital and initial exploration activities.

The Company does not hold any interests in producing or commercial mineral deposits. The Company has no production or other material revenue. There is no operating history upon which investors may rely. Commercial development of any kind will only occur in the event that sufficient quantities of mineral resources containing economic concentrations of minerals are discovered. If, in the future, a discovery is made, substantial financial resources will be required to establish mineral resources and/or mineral reserves. Additional substantial financial resources will be required to develop mining and processing for any mineral resources and/or mineral reserves that may be discovered. If the Company is unable to finance the establishment of mineral reserves or the development of mining and processing facilities it may required to sell all or a portion of its interest in such property to one or more parties capable of financing such development.

As at April 8, 2019, the directors and officers of the Company are:

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|---|---|
| Charles Gryba | President, CEO and Director |
| Neville Dastoor | Chairman, Corporate Secretary and Director |
| Julian Kemp | Director |
| John Sullivan | Director |
| Wes Roberts | Director |
| Arvin Ramos | Chief Financial Officer |

During March 2018, the Company retained Roscoe Postle and Associates Inc. ("RPA") to prepare a NI 43-101 Report on the Timmins Area Project. Mr. Paul Chamois, P. Eng was the independent Qualified Person on the file.

**Overall Performance**

The following paragraphs provide an analysis of the financial condition of the Company, results of operations, trends, events, uncertainties, and industry and economic factors that affect the Company's performance for the year ended December 31, 2018.

Total exploration and evaluation costs increased in the year by $496,069 (period from November 10, 2017 (date of Incorporation) to December 31, 2017 – $364,586) to a cumulative total of $860,655.

As at December 31, 2018, the Company had 51,350,000 common shares outstanding.

As at December 31, 2018, the Company's cash position was $2,068,312 (2017 - $499,977). During the year ending December 31, 2018, the Company closed private placements of 31,150,000 shares for aggregate proceeds of $3,270,000. (See Recent Events). The Company will rely on equity financing to raise capital in the future.

Recent Events

The Company executed a Promissory Note with directors and officers of the Company in the aggregate amount of $350,000 on December 1, 2017. The Promissory Notes were unsecured and bore an interest at a rate of 10% calculated and payable semi-annually. The Company recorded interest of $5,466 (2017 - $2,973) during the period for the promissory note.

On February 26, 2018 the Company entered into a Conversion Agreement with each of its Promissory Note holders to which the parties agreed to convert $350,000 of debt for 4,900,000 common shares. The common shares were valued at a fair value of $0.05 per share for a total of $245,000. The remaining $105,000 was recorded as a gain on debt forgiveness in the statements of income and comprehensive income. The accrued interest amount of $8,438 was forgiven by the Promissory Note holders at the time of conversion was recorded as a gain on debt forgiveness in the interim condensed statement of income and comprehensive income.

On February 26, 2018 the Company closed a private placement of 8,600,000 shares, comprised of 3,600,000 shares at $0.05 and 5,000,000 Flow-through shares at $0.07 per share and for an aggregate total of $530,000.

On March 12, 2018, the Company completed a private placement for aggregate proceeds of $15,000, by issuing 300,000 shares at a price of $0.05 per share.

On March 20, 2018, the Company entered into a memorandum of understanding (the "MOU") with the Matachewan First Nation and Mattagami First Nation (collectively, the "First Nations") pursuant to which the Company and the First Nations signaled their intent to engage in negotiations toward an impact benefit agreement (an "IBA") regarding the Timmins Project. Pursuant to the terms of the MOU, the Company has agreed to pay to the First Nations an amount equal to 2% of all costs of the Phase I exploration on the Timmins Project up to the date of the agreement and annually thereafter. The total amount accrued in the year for these costs is $6,700. In addition, an aggregate of 100,000 Common Shares and 100,000 common share purchase warrants ("Warrants") were to be issued the date the Company's Common Shares were listed on the TSX Venture Exchange. The Warrants shall be exercisable into Common Shares at a price of $0.10 per Common Share for a period of five (5) years following the Closing Date, subject to vesting terms by which 25% vest on the date of issuance and the remaining vest equally over a period of eighteen months from the date of issuance. On October 16, 2018 both the 100,000 Common Shares and the 100,000 common share purchase warrants were issued.

The fair value of these respective warrants was determined using the Black-Scholes valuation model based on a share price of $0.10, exercise price of $0.10, life expectancy of 5 years, volatility of 172.06%, risk free interest rate of 2.40% and a dividend yield of $nil. The total fair value of these warrants was $9,489 for which $4,183 was included in exploration and evaluation expenditures as at year end.

On April 1, 2018, the Company entered into an agreement with a consultant related to the President and Chief Executive Officer to perform services for a term of 2 years for $6,000 per month.

On April 23, 2018, Arvin Ramos was appointed Chief Financial officer.

On April 24, 2018, the Company entered into a Mining Claim Acquisition Agreement with Goldstone Resources Inc. ("Goldstone"), to acquire 100 per cent interest in 24 mining claims and 90 percent interest in 2 additional claims all located in Deloro Township, Ontario ("Faymar Property"). Upon closing, the total consideration payable to Goldstone was $20,000 which was paid by the issuance of 200,000 common shares of CTEC at a value of $0.10 per share. Various claims are subject to an NSR of 0.2%.

On May 24, 2018, the Company entered into an agreement with the President and Chief Executive Officer to perform services that will commence on the date of the public offering for a term of 3 years for $10,000 per month.

On June 18, 2018, in connection with the Faymar Agreement, the Company and Goldstone entered into a subscription receipt agreement (the "Subscription Receipt Agreement") pursuant to which the Company issued 200,000 subscription receipts ("Subscription Receipts"). Each Subscription Receipt, without further payment of any additional consideration, was deemed to have subscribed for one common share issuable upon conversion of the Subscription Receipts the Company completing an initial public offering and the common shares are listed for trading on a recognized public stock exchange. The prospectus filed on October 4, 2019 qualified the distribution of 200,000 common shares issued upon conversion of the Subscription Receipts.

On July 25, 2018, the Company filed a Preliminary Prospectus with the Ontario Securities Commission.

On October 4, 2018 the Company filed a Final Prospectus with the Ontario Securities Commission.

On October 16, 2018, the Company closed its initial public offering of 15,000,000 common shares at $0.10 per share for aggregate gross proceeds of $1,500,000. The Company's common shares commenced trading October 16, 2018 on the TSX Venture Exchange (the "Exchange") under the symbol "CTEC".

PI Financial Corp. (the "Agent") raised the $1,500,000 in connection with the Company's IPO. The Company paid a commission of 7% of gross proceeds to the Agent, and granted the Agent 1,050,000 broker warrants to purchase common shares for a period ending twenty-four months from the date of closing. The Company also issued as a corporate finance fee, an additional 500,000 broker warrants to purchase common shares at a price of $0.10 for a period ending twenty-four months from the date of closing.

CTEC granted to the Agent an over-allotment option, exercisable for a period of 30 days following the date of closing of the IPO, to purchase up to an additional 2,250,000 common shares at a price of $0.10 per common share to cover over-allotments, if any, and for market stabilization purposes. On November 26, 2018 the Company issued 2,250,000 common shares for total proceed of $225,000 upon the exercise of the over-allotment. The Company paid additional commission of 7% of gross proceeds to the Agent, and granted the Agent an additional 157,500 broker warrants, to purchase common shares at a price of $0.10 for a period ending twenty-four months from the date of closing.

The net proceeds from the IPO will be used to fund the Phase I work program as defined in the company's prospectus including: (i) diamond drilling of currently defined targets; (ii) geochemical and geophysical surveying to identify and outline additional targets; (iii) community relations and environmental and permitting work; and (iv) general corporate purposes.

Upon closing of the IPO on October 16, 2018, the Company issued 3,200,000 stock options to certain directors and officers of the Company at an exercise price of $0.10 expiring 5 years from the date the Company's Common Shares are listed on the TSX Venture Exchange. On October 17$^{th}$, the Company issued 200,000 options to two consultants at an exercise price of $0.12 expiring 5 years from the date the Company's Common Shares are listed on the TSX Venture Exchange. The Options are expected to vest as follows: (i) 25% vesting on the the date the Company's Common Shares are listed on the TSX Venture Exchange; (ii) 25% vesting one (1) year following the date the Company's Common Shares are listed on the TSX Venture Exchange; (iii) 25% vesting two (2) years following the date the Company's Common Shares are listed on the TSX Venture Exchange; and (iv) 25% vesting three (3) years following the date the Company's Common Shares are listed on the TSX Venture Exchange following the date of the Company's Common Shares are listed on the TSX Venture Exchange.

On October 16, 2018, the Company issued 100,000 common shares at a price of $0.12 per share pursuant to MOU agreement with the Matachewan First Nation and Mattagami First Nation dated March 20, 2018. (See Note 4)

On October 16, 2018 the 200,000 Subscription Receipts relating to the Faymar Agreement entered into on June 18, 2018 converted to 200,000 Common Shares.

On December 21, 2018 the Company closed a Private Placement of 5,000,000 Flow-through shares at $0.20 per share for total proceeds of $1,000,000. The Offering was structured as a charity donation arrangement pursuant to which Goldcorp Inc. ("Goldcorp") acquired 5,000,000 common shares of the Company as a back-end purchaser, representing approximately 9.74% of the issued and outstanding common shares.

Pursuant to an investor rights agreement entered into between the Corporation and Goldcorp (the "Investor Rights Agreement") concurrently with the Offering, Goldcorp has been granted the right (but not the obligation) to participate in future financing transactions of the Company in order to maintain its pro-rata equity ownership percentage interest in the Company at up to 9.9% of the issued and outstanding common shares. Goldcorp has also been provided certain other rights, including but not limited to the right to request that a technical committee be formed by the Company that will remain in place as long as Goldcorp maintains its equity ownership percentage interest in the Company at greater than 5.0% of the issued and outstanding common shares.

On December 19, 2018 the Company entered into a definitive agreement with Goldcorp Canada Limited and Goldcorp Inc. (the "Porcupine Joint Venture") for the sale of certain of the Company's non-core mineral claims (the "Claims") to the Porcupine Joint Venture for aggregate proceeds of $258,624. The Claims consist of nine patented mineral claims in Deloro Township, Timmins, Ontario with a total area of approximately 327 acres. The sale transaction has not yet been completed as it is conditional upon obtaining Planning Act (Ontario) approval for the severance of certain surface parcels which form part of the mineral claims. The sale transaction is expected be completed immediately after receipt of such approvals.

### Exploration and Development Summary

CTEC has a total of 511 (2017 – 381) claim units in the Porcupine Mining District ("The Timmins Area Project"), of which 89 (2017 – 63) are patented claims included in the Dayton Agreement, the Racetrack Agreement and the Goldstone Agreement.

The remaining 422 (2017 – 381) claims are unpatented and include 44 (2017 – 30) claim units located in Deloro Township, 84 (2017 – 83) in Ogden Township, 197 (2017 – 131) in Mountjoy Township, 67 (2017 – 57) in Godfrey Township, 12 (2017 – 11) in Jamieson Township, 6 (2017 – nil) in Jessop Township, 6 (2017 – nil) in Price Township, 5 (2017 – 5) in Robb Township and 1 (2017 – 1) in Turnbull Township.

On October 24, 2018 the Company announced that it engaged a drilling contractor in preparation for the Company's initial 5,000-metre diamond drill program and provided an outline of its near-term exploration plan on its Timmins Project in Ontario, Canada.

CTEC has broken down the Timmins Project into four distinct township projects: Deloro and Ogden are located on the south side of the Porcupine Destor Fault Zone (PDFZ); and Mountjoy and the 4 Corners Project on the north side of the PDFZ (covering areas in Godfrey, Robb, Jamieson and Turnbull townships).

**Highlights**

- Drill Contract
    - Signed a drilling contract for a 5,000-metre phased diamond drill program to be completed in Q4, 2018 and Q1, 2019.
    - Drilling commenced in late October 2018 on the Deloro Project.
    - Initial drilling focused on an area where historic drilling completed by Dictore Porcupine Gold Mines Limited[(1)] in 1939 intersected a total of 45 metres of gold mineralized core that averaged 2.7 g/t in three distinct zones in a 220m diamond drill hole. Historical intersection assays were 2.2 g/t Au over 11m, 1.8g/t Au over 12m and 3.3g/t Au over 22m of core length. Each of the intersections also had one or more high-grade intersection ranging from a low of 6.3g/t Au to 21.9g/t Au all with 1.5m assay lengths.

(1) Historic drill intercepts and mining data from the Dictore Property were sourced from historic files and assay logs - Assessment File 444 of Deloro Township; Timmins MNDM Office. QA/QC procedures were not found. Historical results are not necessarily indicative of future results. CTEC twinned the 1939 Dictore DDH #5 to confirm the accuracy of the 1939 assaying. The results are discussed below,

- Mobile Metal Ion ("MMI") Geochemical Sampling in 2012 and 2018
  - 1,800 MMI samples in Deloro and Ogden Townships and check sampling of 200 MMI locations in Mountjoy Township and on the 4 Corners project in 2018.
  - Approximately 6,000 MMI samples taken to date on the four projects.
  - SGS Lakefield completed MMI assaying for 53 elements, generating 300,000 individual assays.
  - Serge Nadeau PhD completed analysis of the entire 6,000 sample MMI data base; initially in 2012 then ongoing through 2018. Mr. Nadeau's analysis has generated 20 targets spread over the four Timmins Project areas.

CTEC held an open tender process for the 5,000m drilling contract for its Timmins Properties in October. The NQ diameter diamond drill holes are expected to range between 300m and 500m in length. RPA in the NI 43 101 Report expected the program to be completed within six months with assays reported on a regular basis.

On January 21, 2019 the Company announced the results of the late 2018 four-diamond drill hole program to confirm the geology of the 1939 Dictore Porcupine Gold Mines Ltd. historical diamond drill hole #5 ("DDH#5") in Deloro Township. Gold assays ranged from 0.10g/t to 3.94g/t over narrow widths. The best assay in CTEC's DDH #1 was from a pyritic zone, which assayed 3.94g/t Au over 0.5m from 222.8m to 223.3m down the hole. CTEC's DDH #1 was drilled to follow up on the 1.8g/t to 3.2g/t Au values hosted within three distinct zones totalling 45.2m in width reported in historical DDH #5.

CTEC holes DDH #2 and DDH #3 were drilled at right angles to DDH #1 and intersected anomalous Au ranging from 10 ppb to 300 ppb. The wide induced polarization ("IP") and strong magnetic responses seen were due to considerable widths of 2% to 3% sulphides and up to three parallel iron formations, each with various percentages of pyrrhotite mineralization.

DDH #4 tested a similar IP, magnetic and Very Low Frequency electromagnetic ("VLF EM") target 200m to the southwest of DDH #1. Iron formations of varying widths and pyrrhotite content explained the geophysical responses.

In parallel with the late-2018 drilling, CTEC management and consultants outlined an additional 26 potential drill targets; eight in Deloro and Ogden townships on the south side of the Destor Porcupine Fault Zone ("DPFZ"), 15 in Mountjoy Township and three in northwest Godfrey Township north of the DPFZ.

The next nine drill targets are a combination of a minimum of three layers of positive exploration data. For example, an MMI geochemical anomaly matched to airborne and/or ground magnetic and/or electromagnetic ("EM") anomaly and/or IP geophysical data to confirm the drill setup location. The 2019 drilling program began in late-January. A small amount of confirmation ground geophysics is also being carried out concurrently with the drill program.

In preparation for the resumption of drilling, CTEC geologists also reclogged and sampled 12 NQ geotechnical diamond drill holes that were drilled in 2017 by the previous owner of the Faymar property as part of a Crown Pillar Study. Core from these holes had not been split or assayed but had been stored in a secure trailer since being drilled. The Faymar geology is the same as CTEC's 2018 DDH #1 to DDH #3 holes with the addition of a 1.5m wide quartz vein that was mined at approximately a 6.0 g/t Au head grade. Assays received are consistent with historic grades and will give CTEC geologists a better template to re-evaluate the CTEC DDH #1 to DDH #4 results.

CTEC now has a modern data base of 6,000 MMI geochemical samples each assayed for 53 elements that has helped identify targets. Anomalous MMI sample areas have been plotted over airborne magnetic and EM anomalies that have never been drill tested. For example, the centre of Mountjoy Township has been mapped as non-mineralized sediments for approximately 100 years, with good EM anomalies dismissed as graphite horizons. MMI sampling, 81 historic RC holes plus information from an additional 20 historic diamond drill holes indicate that the sediments host major porphyry zones, Tisdale volcanics and ultramafic rocks within a 3km wide carbonate alteration zone.

Re-drilling the Dictore Porcupine DDH #5 area has intersected anomalous gold values and suggests that there is a widespread gold system in Deloro Township on the south side of the DPFZ. We will revisit the area once we re-evaluate the prospect base of the Faymar assay results. The best gold anomaly that CTEC obtained in the 2018, 1 MMI geochemical sampling south of the DPFZ, sits directly on a deep IP anomaly. This hole was collared in January 2019 and results are still being evaluated. The CTEC drill program then began testing drill targets in Mountjoy Township, with the objective of locating the more northern gold horizon of the Timmins Camp generally east-west-trending gold systems. The Timmins gold camp hosts two almost continuous east-west parallel gold systems through four townships covering a 30km strike length and hosting numerous historic and present mining operations. CTEC is seeking to identify economic mineralization in the gap areas of these zones both north and south of the DPFZ.

Mr. John Sullivan, B.Sc., P.Geo, independent director of CTEC, has acted as the Qualified Person, as defined in NI 43-101, with respect to the disclosure of the scientific and technical information relating to exploration results and future plans contained in this management discussion and analysis.

*Trends*

Current stock market conditions for public junior resource companies are not supportive of funding grassroots exploration or even advancing resource projects due to metal prices and other factors. Given the difficulties in raising new capital through the equity markets, such companies are seeking out alternative sources of capital such as joint ventures with strategic partners, raising capital with financial partner equity groups, and investment from royalty-streaming investment groups. It is uncertain how long this trend will continue. Otherwise there are no unusual trends, events or uncertainties presently known or identifiable to management that are reasonably expected to have a material effect on the Company's business, financial condition or results of operations. The nature of the Company's business is demanding of capital for property acquisition costs, exploration and holding costs. The Company may stake ground as it becomes available for exploration and will drop claims from time to time if claims are deemed to have a low potential for a discovery. The Company intends to utilize cash on hand to meet its obligations and will continue to raise funds primarily by equity financings as necessary to augment this cash position as it does not have any operating cash flow.

*Flow-Through Expenditure Commitment*

As of December 31, 2018, the Company's remaining obligation for flow-through expenditures was $1,000,000 (2017 - $NIL).

*Office and Management and Consulting Fee Commitment*

The Company is committed to monthly payments under the terms of operating agreements for the office space and management and consulting fees. The aggregate remaining payments per year are as follows:

| | |
|---|---|
| 2019 | $ 270,478 |
| 2020 | $ 198,779 |
| 2021 | $ 131,000 |

*Use of Funds*

The Company will spend its available funds to further its stated business objectives. Specifically, the available funds will be spent to explore and develop the Timmins Area Project. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary in order for the Company to achieve its stated business objectives.

**Industry Risks**

The Company is subject to numerous risk factors that may affect its business prospects in the future. These include risks inherent to exploration, development and operating companies, dependence on key personnel, commodity prices, and availability of capital, environmental and permitting risks, acquisition risks, competition and potential risks relating to land titles.

There are certain risk factors that could have material effects on the Company that are not quantifiable at present due to the nature of the Company's industry segment and other considerations.

*Additional Capital*

The exploration and development activities of the Company may require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration and development of any of the Company's properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financings will be favourable to the Company. In addition, low commodity prices may affect the Company's ability to obtain financing.

*Exploration Development and Operating Risk*
Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration and development, any of which could result in work stoppages, damage to property, and possible environmental damage. None of the properties in which the Company has an interest have a known body of commercial ore. Development of the Company's mineral properties will follow upon obtaining satisfactory exploration results. Mineral exploration and development involve a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercially viable bodies or ore. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish mineral resources and reserves through drilling, to develop process flow sheets, to extract the metal from the resources and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis.

*Business Risk*
The success of the operations and activities of CTEC Resources is dependent to a significant extent on the efforts and abilities of its management, outside contractors, experts and other advisors. Investors must be willing to rely to a significant degree on management's discretion and judgment, as well as the expertise and competence of the outside contractors, experts and other advisors. The Company does not have a formal program in place for succession of management and training of management. The loss of one or more of the key employees or contractors, if not replaced on a timely basis, could adversely affect the Company's operations and financial performance.

*Commodity Prices*
The price of the Company's common shares, its financial results, and exploration and development activities have been, or may in the future be, adversely affected by declines in the price of gold and/or other metals. Gold prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the sale or purchase of commodities by various central banks, financial institutions, expectations of inflation or deflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, international supply and demand, speculative activities and increased production due to new project developments, improved production methods and international economic and political trends. The Company's revenues, if any, are expected to be in large part derived from mining, precious and base metals or interests related thereto. The effect of these factors on the price of metals, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted.

*Environmental and Permitting*
All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations, among other things, mandate the maintenance of air and water quality standards, land reclamation, transportation, storage and disposal of hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties 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 operations.

To the Company's knowledge, there are no liabilities to date which relate to environmental risks or hazards.

*Risks Related to Environmental, Mining and Other Regulations*
CTEC and its prospective customers are subject to extensive environmental, health and safety regulations that impose, and will continue to impose, significant costs and liabilities. In addition, future regulations, or more stringent enforcement of existing regulations, could increase those costs and liabilities, which could adversely affect the Company's results of operations.

*Acquisition*
The Company uses its best judgment to acquire mineral properties for exploration and development. In pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate

acceptable agreements, including arrangements to finance the acquisitions and development, or integrate such opportunity and their personnel with the Company. CTEC cannot assure that it can complete any acquisition that it pursues, or is currently pursuing, on favourable terms, or that any acquisition completed will ultimately benefit the Company. The Company's management and directors have experience globally, thus, potential acquisitions may be outside of Canada.

*Competition*

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospective properties for mineral exploration and development in the future.

*Land Title*

The Company has not sought formal title opinions on its mineral property interests. Any of the Company's properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. The Company has no present knowledge of any material defect in the title of any of the properties in which the Company has or may acquire an interest.

**Review of Operations**
**Selected Annual Information**

| | December 31, 2018 | Date of Incorporation November 10, 2017 to December 31, 2017 |
|---|---|---|
| Loss before income taxes | $ 904,336 | $ 475,582 |
| Net Loss and comprehensive loss | $ 904,336 | $ 475,582 |
| Loss per share – basic and diluted | $ 0.030 | $ 0.048 |
| Total Assets | $ 2,157,417 | $ 499,977 |

**Three Months Ended December 31, 2018 and the period from November 10, 2017 (date of Incorporation) to December 31, 2017**

The Company had a net loss of $549,088 or $0.018 per share for the three months ended December 31, 2018, compared to $475,582 or $0.048 per share for the period from November 10, 2017 (date of Incorporation) to December 31, 2017.

Professional fees were $200,320 for the three months ended December 31, 2018 compared to $106,500 for the period from November 10, 2017 (date of Incorporation) to December 31, 2017. Fees are higher in the current period due to legal fees incurred for the preparation of the Company's Prospectus. These fees were routine professional services such as legal advice and audit fees. These expenses will increase on a going forward basis as the Company becomes more active and starts to raise additional funds.

General and administrative costs were $41,013 for the three months ended December 31, 2018 compared to $1,523 for the period from November 10, 2017 (date of Incorporation) to December 31, 2017. These expenses will increase on a going forward basis as the Company becomes more active and starts to incur increased operating costs.

Shareholder information costs were $57,035 for the three months ended December 31, 2018 compared to $nil for the period from November 10, 2017 (date of Incorporation) to December 31, 2017. Fees are higher in the current period due to fees incurred for the filing of the Company's Prospectus. These expenses will increase on a going forward basis as the Company becomes more active and starts to incur increased disclosure and filing costs.

Investor relations and travel costs were $13,746 for the three months ended December 31, 2018 compared to $nil for the period from November 10, 2017 (date of Incorporation) to December 31, 2017. These expenses will increase on a going forward basis as the Company becomes more active and starts to incur increased operating costs.

Total exploration and evaluation costs were $223,336 for the three months ended December 31, 2018 compared to $364,586 for the period from November 10, 2017 (date of Incorporation) to December 31, 2017, to a cumulative total of $860,655. The decrease is due to geophysical and geochemical surveying and diamond drilling completed on the Timmins Area Properties and the preparation of the NI 43-101 technical report in the current year compared acquisition costs in 2017.

**Year Ended December 31, 2018**

The Company had a net loss of $904,336 or $0.030 per share for the year ended December 31, 2018 compared to $475,582 or $0.048 per share for the period from November 10, 2017 (date of Incorporation) to December 31, 2017.

Professional fees were $327,995 for the year ended December 31, 2018 compared to $106,500 for the period from November 10, 2017 (date of Incorporation) to December 31, 2017. Fees are higher in the current period due to legal fees incurred for the preparation of the Company's Prospectus. These fees were routine professional services such as legal advice and audit fees. These expenses will increase on a going forward basis as the Company becomes more active and starts to raise additional funds.

General and administrative costs were $80,274 for the year ended December 31, 2018 compared to $1,523 for the period from November 10, 2017 (date of Incorporation) to December 31, 2017. These expenses will increase on a going forward basis as the Company becomes more active and starts to incur increased operating costs.

Shareholder information costs were $70,610 for the year ended December 31, 2018 compared to $nil for the period from November 10, 2017 (date of Incorporation) to December 31, 2017. Fees are high in the current period due to fees incurred for the filing of the Company's Prospectus. These expenses will increase on a going forward basis as the Company becomes more active and starts to incur increased disclosure and filing costs.

Investor relations and travel costs were $24,584 for the year ended December 31, 2018 compared to $nil for the period from November 10, 2017 (date of Incorporation) to December 31, 2017. These expenses will increase on a going forward basis as the Company becomes more active and starts to incur increased operating costs.

Total exploration and evaluation costs for the year were $496,069 compared to $364,586 for the period from November 10, 2017 (date of Incorporation) to December 31, 2017 to a cumulative total of $860,655. The increase is due to geophysical and geochemical surveying and diamond drilling completed on the Timmins Area Properties and the preparation of the NI 43-101 technical report.

**Selected Quarterly Financial Data**

| | *December 31, 2018* $ | *September 30, 2018* $ | *June 30, 2018* $ | *March 31, 2018* $ | *Date of Incorporation November 10, 2017 to December 31, 2017* $ |
|---|---|---|---|---|---|
| **Income (loss) and comprehensive income (loss)** | (549,088) | (172,485) | (207,227) | 23,603 | (475,582) |
| **Income (loss) per share, basic and diluted** | (0.018) | (0.006) | (0.007) | 0.001 | (0.048) |
| **Total assets** | 2,157,417 | 209,796 | 431,805 | 568,436 | 499,977 |

**Liquidity and Capital Resources**

The mineral properties of the Company are in the exploration and development stage and, as a result, the Company has no source of operating cash flow. The exploration and development of the Company's properties depends on the ability of the Company to obtain financing.

If the Company's exploration programs are successful, additional funds will be required to develop the Company's properties and to place them into commercial production. The only source of future funds presently available to the Company is through the issuance of share capital, or by the sale of an interest in any of its properties in whole or in part. The ability of the Company to arrange such financing or sale of an interest in the future will depend in part upon the prevailing market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Company. If additional financing is raised through the issuance of shares, control of the Company may change and shareholders may experience dilution. If adequate financing is not available, the Company may be required to delay, reduce the scope of, or eliminate one or more exploration activities or relinquish rights to certain of its interests. Failure to obtain additional financing on a timely basis could cause the Company to forfeit its interests in some or all of its properties and reduce or terminate its operations.

As at December 31, 2018, the Company had cash of $2,068,312 (2017 - $499,977) to settle current liabilities of $504,953 (2017 - $825,559). All of the Company's financial trade liabilities have contractual maturities of less than one year and are subject to normal trade terms.

As at December 31, 2018, the Company had working capital of $1,652,464 (2017 - a working capital deficiency of $325,582). In order to meet its longer-term working capital needs and property exploration expenditures, the Company intends on securing additional financing to ensure that those obligations are properly discharged. As such, management believes that the Company will then have sufficient working capital to discharge its current and anticipated obligations for a minimum of one year. There can be no assurance that CTEC will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised through the issuance of shares from the treasury of the Company, control of CTEC may change and shareholders may experience additional dilution. If adequate financing is not available or cannot be obtained on a timely basis, the Company may be required to delay, reduce the scope of, or eliminate one or more of its exploration activities or relinquish some or all of its rights to certain of its interests in mineral properties.

### Transactions with Related Parties

As at December 31, 2018, the trade and other payables balance includes related party amounts of $4,962 (2017 - $nil). The related parties are directors and officers of the Company, an individual who is related to the President and CEO of the Company and entities over which executive management and directors have control or significant influence. The amounts are for services rendered during the year and arose as a result of transactions entered into with the related parties in the ordinary course of business.

The Company executed a Promissory Note with directors and officers of the Company in the aggregate amount of $350,000 as at December 31, 2017. The Promissory Notes are unsecured and bear an interest at a rate 10% calculated and payable semi-annually.

On February 26, 2018 the Company entered into a Conversion Agreement with each of its Promissory Note holders to which the parties agreed to convert $350,000 of debt for 4,900,000 commons shares. The commons shares were valued at a fair value of $0.05 per share for a total of $245,000. The remaining $105,000 was recorded as a gain on debt forgiveness in the interim condensed statement of income and comprehensive income. The accrued interest amount of $8,438 was forgiven by the Promissory Note holders at the time of conversion was recorded as a gain on debt forgiveness in the interim condensed statement of income and comprehensive income.

### Compensation of key management personnel of the Company

The remuneration of directors and other members of key management personnel during the year ended December 31, 2018 were as follows:

| | *Year Ended December 31, 2018* | *Date of Incorporation November 10, 2017 to December 31, 2017* |
|---|---|---|
| Management and consulting fees | **$ 87,100** | **$ -** |
| Share-based compensation | **122,566** | **-** |

## Other Information

Additional Disclosure for Venture Companies without Significant Revenue

The following is additional financial information for the period regarding the Company as required by National Instrument 51-102 – Continuous Disclosure Obligations, for TSX-V issuers.

| | December 31, 2018 | *Date of Incorporation November 10, 2017 to December 31, 2017* |
|---|---|---|
| Exploration and evaluation expenditures | **$ 496,069** | $ 364,586 |
| Administrative expenses | **$ 621,705** | $ 110,996 |
| Total assets | **$ 2,157,417** | $ 499,977 |

| Exploration and evaluation expenditures | *For the year ended December 31, 2018* Expensed | *Date of Incorporation November 10, 2017 to December 31, 2017* Expensed |
|---|---|---|
| Acquisition costs | **$ 43,794** | $ 350,000 |
| Assays | **6,997** | - |
| Drilling | **108,870** | - |
| Geophysical and MMI Surveys | **219,788** | - |
| Technical Report (NI 43-101) | **58,728** | - |
| Consulting | **25,600** | - |
| Other exploration and evaluation expenditures | **33,153** | 14,586 |
| Total exploration and evaluation expenditures | **$ 496,069** | $ 364,586 |

| Administrative Expenses | *For the year ended December 31, 2018* | *Date of Incorporation November 10, 2017 to December 31, 2017* |
|---|---|---|
| General and administrative | **$ 80,274** | $ 1,523 |
| Interest on related party loans | **5,466** | 2,973 |
| Professional fees | **327,995** | 106,500 |
| Shareholder information | **70,610** | - |
| Investor relations and travel | **24,584** | - |
| Share-based payments | **112,776** | - |
| | **$ 621,705** | $ 110,996 |

| Outstanding share data | As at December 31, 2018 | As at December 31, 2017 |
|---|---|---|
| Issued and outstanding common shares | **51,350,000** | 15,000,000 |

## Significant Accounting Policies

### Adoption of new and revised standards and interpretations

***Adoption of new and revised standards and interpretations***

- IFRS 9 – Financial instruments ("IFRS 9"), was issued by the IASB in July 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. A new hedge accounting model is introduced and represents a substantial overhaul of hedge accounting which will allow entities to better reflect their risk management activities in the financial statements. The most significant improvements apply to those that hedge non-financial risk, and so these improvements are expected to be of particular interest to non-financial institutions. The new standard is effective for annual periods beginning on or after January 1, 2018, with earlier adoption permitted. The Company adopted this standard on January 1, 2018 and it did not have a material impact on the financial statements.

- IFRS 15 – Revenue from Contracts with Customers: The IASB issued IFRS 15 in May 2014. The new standard provides a comprehensive framework for recognition, measurement and disclosure of revenue from contracts with customers, excluding contracts within the scope of the standards on leases, insurance contracts and financial instruments. IFRS 15 is effective for annual periods beginning on or after January 1, 2018 and is to be applied retrospectively with early adoption permitted. Management is currently evaluating the impact the final standard is expected to have on the Company's consolidated financial statements. The Company adopted this standard on January 1, 2018 and it did not have a material impact on the financial statements as the Company is currently not generating operating revenues.

***Future accounting pronouncements***

- IFRS 16 – Leases – The standard was issued by the IASB on January 13, 2016, and will replace IAS 17, "Leases". IFRS 16 will bring most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and financing leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. The new standard is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted if IFRS 15 has also been applied. The Company will adopt IFRS 16 in its consolidated financial statements for the annual period beginning on January 1, 2019. The Company is assessing the impact of this standard on its financial statements and expects that on adoption of the standard, there will be an increase to assets and liabilities, as the Company will be required to record a right-of-use asset and a corresponding lease liability on its statement of financial position. In addition, the Company expects a decrease to its rental lease costs, an increase to finance costs (due to accretion of the lease liability) and an increase to depreciation and amortization (due to amortization of the right-of-use asset).

## Dividends

The Company has neither declared nor paid any dividends on its common shares. The Company intends to retain its earnings, if any, to finance growth and expand its operations and does not anticipate paying any dividends on its common shares in the foreseeable future.

## Assessment of Recoverability of Future Income Tax Assets

In preparing the financial statements, the Company is required to estimate its income tax obligations. This process involves estimating the actual tax exposure together with assessing temporary differences resulting from differing treatment of items for tax and accounting purposes. The Company assesses, based on all available evidence, the likelihood that the future income tax assets will be recovered from future taxable income and, to the extent that recovery cannot be considered "more likely than not," a valuation allowance is established. If the valuation allowance is changed in a period, an expense or benefit must be included within the tax provision on the income statement.

**Assessment of Recoverability of HST Recoverable**

The carrying amount of HST Recoverable is considered representative of its values. The Company assesses the likelihood that HST will be recovered and, to the extent that recovery is considered doubtful, a provision for doubtful accounts is recorded.

**Critical Accounting Policies**

**Going Concern**

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of interest in mineral properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable mineral resources and reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs to the carrying values.

The Company has historically relied on equity financing to raise capital and future raises may be impacted by the current global situation and economic uncertainties. Management has considered how these conditions may impact the Company's viability given its current capital structure and considers that until the outcome of financing activities is known there is significant doubt about the Company's ability to continue as a going concern.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, aboriginal claims, unregistered claims, and non-compliance with regulatory and environmental requirements.

Management plans to secure the necessary financing through the issuance of new equity or debt instruments, and/or by entering into joint venture arrangements. Nevertheless, there is no guarantee that these initiatives will be successful.

The Company will require substantial additional funds to further explore and, if warranted, develop its exploration properties. The Company has limited financial resources and no current source of recurring revenue, and there is no assurance that additional funding will be available to the Company to carry out the completion of its planned exploration activities. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and property development. The terms of any additional financing obtained by the Company could result in substantial dilution to the shareholders of the Company.

**Income Tax**

The Company accounts for income taxes in accordance with the asset and liability method. The determination of future income tax assets and liabilities is based on the differences between the financial statement and the income tax bases of assets and liabilities, using substantively enacted tax rates in effect for the period in which the differences are expected to reverse. Future income tax assets are recorded to recognize tax benefits only to the extent that, based on available evidence, it is more likely than not that they will be realized.

**Cash**

Cash consists of cash held with a Canadian chartered bank.

**Loss per Share**

Basic loss per share is determined by dividing the net loss by the weighted average number of ordinary shares outstanding during the financial period. Diluted loss per share is calculated using the treasury stock method. The amount is the same as basic loss per share as the effect of including potential issues of shares under option or from warrant exercises would be anti-dilutive.

### Capital Management

The Company includes shareholders equity (deficit) in the definition of capital.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties and to ensure it continues as a going concern. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

All of the properties in which the Company currently has an interest are in the exploration stage with no operating revenues; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if management feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Recent market conditions have and are expected to continue to have an adverse impact on the ability of junior mining exploration companies to secure equity funding. The Company relies on equity financing to raise capital and will continue its attempts to do so. Although CTEC was successful in securing debt and equity financing in the current and recent periods, there is no guarantee that future fund-raising attempts will be equally successful.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company classifies financial instrument fair values in a hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements, described as follows:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and
Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

Cash is classified as level 1.

### Financial Risk Factors

**Financial Instruments**

On July 24, 2014, the IASB issued the completed IFRS 9 – Financial Instruments ("IFRS 9") to come into effect on January 1, 2018 with early adoption permitted.

IFRS 9 includes finalized guidance on the classification and measurement of financial assets. Under IFRS 9, financial assets are classified and measured either at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 largely retains the existing requirements in IAS 39 – Financial Instruments: Recognition and Measurement ("IAS 39"), for the classification and measurement of financial liabilities.

The Company adopted IFRS 9 in its financial statements on January 1, 2018. Due to the nature of its financial instruments, the adoption of IFRS 9 had no impact on the opening accumulated deficit balance on January 1, 2018. The impact on the classification and measurement of its financial instruments is set out below.

All financial assets not classified at amortized cost or FVOCI are measured at FVTPL. On initial recognition, the Company can irrevocably designate a financial asset at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- It is held within a business model whose objective is to hold the financial asset to collect the contractual cash flows associated with the financial asset instead of selling the financial asset for a profit or loss;

- Its contractual terms give rise to cash flows that are solely payments or principal and interest.

All financial instruments are initially recognized at fair value on the statement of financial position. Subsequent measurement of financial instruments is based on their classification. Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in the statement of loss and comprehensive loss for the period. Financial assets are classified at amortized cost and financial liabilities are measured at amortized cost using the effective interest method.

The following table summarizes the classification and measurement changes under IFRS 9 for each financial instrument:

| Classification | IAS 39 | IFRS 9 |
|---|---|---|
| Cash | FVTPL | FVTPL |
| Receivables and other assets | Loans and receivables (amortized cost) | Amortized Cost |
| Trade and other payables | Other financial liabilities | Amortized Cost |
| Due to related parties | Other financial liabilities | Amortized Cost |

The original carrying value of the Company's financial instruments under IAS 39 has not changed under IFRS 9.

### Risks

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

#### (i) Credit Risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment. The Company's credit risk is primarily attributable to cash and receivables and other assets included in current assets. The Company has no material concentration of credit risk arising from operations. Cash consists of bank deposits, which are held by a Canadian chartered bank, and management believes the risk of loss is remote. The Company's receivables and other assets are normally collected within a 60-90 day period. The Company has not experienced any significant collection issues to December 31, 2018.

The Company's maximum exposure to credit risk as at December 31, 2018 is the carrying value of cash.

#### (ii) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due and ensuring an adequate supply of funds to enable the Company to carry out its intended programs. As at December 31, 2018, the Company had a cash balance of $2,068,312 (2017 - $499,977) to settle current liabilities of $504,953 (2017 - $825,559). All of the Company's financial trade liabilities have contractual maturities of less than one year and are subject to normal trade terms.

As at December 31, 2018, the Company had working capital of $1,652,464 (2017 - a working capital deficiency of $325,582). In order to meet its longer-term working capital needs and property exploration expenditures, the Company intends on securing additional financing to ensure that those obligations are properly discharged. As such, management believes that the Company will then have sufficient working capital to discharge its current and anticipated obligations for a minimum of one year. There can be no assurance that CTEC will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised through the issuance of shares from the treasury of the Company, control of CTEC may change and shareholders may experience additional dilution. If adequate financing is not available or cannot be obtained on a timely basis, the Company may be required to delay, reduce the scope of, or eliminate one or more of its exploration activities or relinquish some or all of its rights to certain of its interests in mineral properties.

**(iii) Interest Rate Risk**

The Company's interest rate risk related to interest-bearing obligations and deposits is as follows:

The Company is subject to interest charges of 10% on related party loans payable (Note 11).

### Additional Capital

The continued exploration by the Company will require substantial additional financing. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financings will be favorable to the Company. In addition, low commodity prices may affect the Company's ability to obtain financing since the equity investment that constitutes the primary asset of the Company is linked to such prices.

### Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

The most significant estimates and judgments relate to, but are not limited to, the following:

- determination of the flow-through share premium requires the use of estimates when calculating the premium associated with the issuance of flow-through shares compared with common shares;
- the calculation of the fair value of share-based payments requires the use of estimates of inputs in the Black-Scholes option pricing valuation model;
- accounting policy for exploration and evaluation expenditures as an expense;
- ownership and control of property requires the use of judgment;
- provisions for income taxes expected to be paid based on a qualitative assessment of relevant factors; and
- assessment of the going concern assumption as detailed in Note 1 to the financial statements.

### Forward-looking Statements

This Management's Discussion and Analysis includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of Management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Such risks and uncertainties include, but are not limited to, risks associated with the mining industry (including operational risks in exploration, development and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of mineral resources and reserve estimates; the uncertainty of estimates and projections in relation to production, costs and expenses; the uncertainty surrounding the ability of CTEC to obtain all permits, consents or authorizations required for its operations and activities; and health safety and environmental risks), the risk of commodity price and foreign exchange rate fluctuations, the ability of CTEC to fund the capital and operating expenses necessary to achieve the business objectives of CTEC, the uncertainty associated with commercial negotiations and negotiating with foreign governments and risks associated with international business activities, as well as those risks described in public disclosure documents filed by CTEC. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in securities of CTEC should not place undue reliance on these forward-looking statements. Statements in relation to "reserves" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably exploited in the future.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive. The forward-looking statements contained in this document are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The forward-looking statements are expressly qualified by this cautionary statement.

Dated April 8, 2019

"Charles Gryba"
President and Director