DRUMMOND VENTURES CORP.
(a capital pool company)

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED
SEPTEMBER 30, 2018

Introduction

This Management Discussion and Analysis ("MD&A") of Drummond Ventures Corp. ("Drummond" or the "Corporation") has been prepared by management as of November 28, 2018 and should be read in conjunction with the condensed interim financial statements for the three months ended September 30, 2018 and related notes thereto and the audited financial statements for the period from incorporation on March 28, 2018 to June 30, 2018 and related notes thereto. This MD&A was written to comply with the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations*. All dollar amounts herein are expressed in Canadian dollars (the presentation and functional currency of the Corporation's financial statements).

Unless otherwise specified, all financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Additional information can be found under the Corporation's profile at www.sedar.com.

Cautionary Note Regarding Forward-Looking Statements

Certain statements contained in the following MD&A constitute forward-looking statements. All statements, other than statements of historical fact, made by the Corporation that address activities, events or developments that the Corporation expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words. Readers are cautioned that these statements which describe the Corporation's plans, objectives, and budgets may differ materially from actual results and as such should not be unduly relied upon by investors. Forward-looking statements contained in this MD&A speak only as to the date of this MD&A, or such other date as may be specified herein, and are expressly qualified in their entirety by this cautionary statement. See additional discussion under the "Risks Factors" section below.

Corporate Profile and Overall Performance

Drummond was incorporated under the *Business Corporations Act* (British Columbia) on March 28, 2018. The principal office of the Corporation is located at 400 Burrard Street, Vancouver, BC V6C 3A6 and the registered and records office of the Corporation is located at 20th Floor, 250 Howe Street, Vancouver, BC V6C 3R8. The Corporation's financial year ends on June 30.

As of the date hereof, the Corporation is a "reporting issuer" in the provinces of British Columbia and Alberta; however, the Corporation's common shares (the "Shares") are not listed on any stock exchange in Canada. The Shares have been conditionally approved for listing on the TSX Venture Exchange (the "Exchange"), subject to the Corporation meeting all of the listing requirements of the Exchange.

Upon completion of a proposed initial public offering of Shares by the Corporation (and the satisfaction of certain other conditions), as described in greater detail below, the Corporation will be classified as a Capital Pool Company (as defined in Policy 2.4 – *Capital Pool Companies* of the Exchange Corporate Finance Manual (the "CPC Policy")). The Corporation has not commenced commercial operations and has no assets other a minimum amount of cash. Except as specifically contemplated in the CPC Policy, until the completion of the Qualifying Transaction (as defined below), the Corporation will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction.

Under the CPC Policy a "Qualifying Transaction" is defined as a transaction where a Capital Pool Company acquires Significant Assets, other than cash, by way of purchase, amalgamation, merger or arrangement with another company or by other means. "Significant Assets" means one or more assets or businesses which, when purchased, optioned or otherwise acquired by the Capital Pool Company, together with any other concurrent transactions, would result in the Capital Pool Company meeting the minimum listing requirements of the Exchange.

The Corporation has only limited funds with which to identify and evaluate possible Qualifying Transactions and there can be no assurance that the Corporation will be able to identify or complete a suitable Qualifying Transaction. The Exchange will generally suspend trading in the Shares or delist the Corporation if the Exchange has not issued a final Exchange bulletin following closing of the Qualifying Transaction and evidencing final Exchange acceptance of the Qualifying Transaction within 24 months from the date the Shares are listed for trading on the Exchange (the "Listing Date"). The Corporation proposes to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction. Any proposed Qualifying Transaction must be accepted by the Exchange and, in the case of a Non Arm's Length Qualifying Transaction (as such term is defined in the CPC Policy), will also be subject to Majority of the Minority Approval (as such term is defined in the CPC Policy) in accordance with the CPC Policy.

With the consent of the Exchange, the Corporation may raise additional funds in order to finance an acquisition. Subject to certain exceptions set out in the CPC Policy, funds raised pursuant to the Corporation's proposed IPO (as hereinafter defined) and any subsequent financing will be utilized only for the identification and evaluation of potential Qualifying Transactions and not for any deposit, loan or direct investment in a potential acquisition.

As of the date hereof, the Corporation has not yet entered into an Agreement in Principle (as such term is defined in the CPC Policy).

Proposed Initial Public Offering

The Corporation filed a final prospectus (the "Prospectus") dated September 24, 2018 with the securities regulatory authorities in British Columbia and Alberta qualifying the distribution of 1,125,000 Shares of the Corporation at a price of $0.20 per share for total gross proceeds of $225,000 (the "IPO").

In connection with the IPO, the Corporation entered into an agency agreement (the "Agency Agreement") dated September 24, 2018 with PI Financial Corp. (the "Agent") to act as the exclusive agent on a commercially reasonable efforts basis. Pursuant to the Agency Agreement, the Corporation has agreed to (i) pay the Agent a cash fee equal to 6% of the gross proceeds raised under the IPO, (ii) issue to the Agent options (the "Agent's Options" and each, an "Agent's Option") entitling the Agent to acquire 67,500 Shares of the Corporation (equal to 6% of the number of Shares sold under the IPO). Each Agent's Option is exercisable into one Share of the Corporation (each, an "Agent's Option Share") at a price of $0.20 for a period of 24 months following the Listing Date. The grant of the Agent's Options is qualified by the Prospectus. Pursuant to the CPC Policy, no more than 50% of the aggregate number of Agent's Option Shares that may be acquired may be sold prior to completion of a Qualifying Transaction and the remaining 50% may only be sold after completion of a Qualifying Transaction. The Corporation has also paid the Agent a corporate finance fee equal to $10,000 plus applicable taxes. In addition, the Agent will be reimbursed by the Corporation for its reasonable expenses and legal fees (up to a maximum of $15,000 inclusive of taxes and disbursements).

Discussion of Operations

Three months ended September 30, 2018

The Corporation's net loss totaled $8,061 for the three months ended September 30, 2018, with basic and diluted loss per share of $0.00. Net loss was related to professional fees and listing & filing fees relating to the Corporation's proposed IPO of $4,125 and $3,902, respectively, and other general & administrative expenses of $34. The Corporation has no comparative financial information as it was incorporated on March 28, 2018.

In the three months ended September 30, 2018, the Corporation's cash balance decreased by $31,293. This decrease is a result of the operating fees and expenses noted above equal to $8,061 and an additional $20,703 relating to the IPO (primarily relating to deferred Agent and legal fees). In addition, there was a $2,529 outflow relating to timing differences on working capital balances for receivables and accounts payable and accrued liabilities.

Summary of Quarterly Results

A summary of selected information for each of the quarters presented below is as follows:

	Three Months Ended September 30, 2018	**Three Months Ended June 30, 2018**
Net Revenues ($)	-	-
Net Loss ($)	8,061	10,452
Basic and Diluted Loss per Share ($)	0.00	0.00

Liquidity and Capital Resources

As at September 30, 2018, the Corporation had a cash balance of $366,160 (June 30, 2018 - $397,453) and a working capital surplus of $381,487 (June 30, 2018 – $364,548).

Management believes that the Corporation has sufficient funds on hand to meet anticipated administrative expenses and necessary investigation costs associated with reviewing and identifying assets or business prospects in the furtherance of the Corporation's search for a suitable Qualifying Transaction. The Corporation anticipates that its funds on hand will be sufficient to complete the search for a Qualifying Transaction as well as legal and other related expenses.

As of the date hereof, the Corporation did not have any commitments for capital expenditures or other contractual obligations. The Corporation has no debt other than its accounts payable balance.

As a Capital Pool Company ("CPC"), the Corporation will be subject to externally imposed capital requirements as outlined in the CPC Policy. These requirements include the following:

- No salary, consulting, management fees or similar remuneration of any kind may be paid directly or indirectly to a non-arm's length of the Corporation or a non-arm's length of a Qualifying Transaction;
- Gross proceeds realized from the sale of all securities issued by a CPC may only be used to identify and evaluate assets or businesses and obtain shareholder approval for a Qualifying Transaction;
- No more than the lesser of $210,000 and 30% of the gross proceeds from the sale of securities issued by a CPC may be used for purposes other than to identify and evaluate Qualifying Transaction; and
- After the completion of its IPO and until the completion of a Qualifying Transaction, a CPC may not issue any securities unless written acceptance of the Exchange is obtained before the issuance of the securities.

Off-Balance Sheet Arrangements

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

Transactions Between Related Parties

Key management personnel consist of officers and directors of the Corporation. No compensation was paid to key management personnel during the three months ended September 30, 2018. The Corporation is currently utilizing office space rent-free in the office of a related party.

Proposed Transactions

The Corporation has not yet commenced the process of identifying potential acquisitions and investments with a view to completing a Qualifying Transaction, as that process is currently on hold pending completion of the Corporation's proposed IPO.

Critical Accounting Estimates and Judgements

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Management believes the estimates and assumptions used in the condensed interim financial statements are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

The Corporation's significant accounting judgments and estimates are consistent with those applied in the audited financial statements for the period from incorporation on March 28, 2018 to June 30, 2018.

Changes in Accounting Policies including Initial Adoption

In January 2016, the IASB issued IFRS 16 – *Leases* ("IFRS 16") which replaces IAS 17 – *Leases* and its associated interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting remains similar to current accounting practice. The standard is effective for annual periods beginning on or after January 1, 2019, however, the Corporation has early adopted IFRS 16 effective upon incorporation of the Corporation. At present the Corporation has no leases and so IFRS 16 does not have a significant impact on its financial statements.

Financial Instruments

As at September 30, 2018, the Corporation's financial instruments consist of cash, receivables and accounts payable and accrued liabilities. The Corporation classifies cash and receivables as financial assets held at amortized cost. The Corporation classifies accounts payable and accrued liabilities as financial liabilities, and these are held at amortized cost. The fair value of all of the Corporation's financial instruments approximates their carrying value.

The risk exposure arising from these financial instruments is summarized as follows:

(a) Credit risk

The Corporation's financial asset is cash. The Corporation's maximum exposure to credit risk, as at period end, is the carrying value of its financial asset, being $366,160. The Corporation holds its cash in a bank account with a highly rated Canadian financial institution, therefore minimizing the Corporation's credit risk.

(b) Liquidity risk

The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Corporation has sufficient funds as of September 30, 2018 to cover its liabilities; further, the Corporation is in the process of conducting the IPO to raise additional funds. The Corporation's ability to continue to meet its liabilities when due, beyond the current cash balance, is dependent on future support of shareholders through public or private equity offerings.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Corporation's income or value of its holdings or financial instruments. The Corporation's activities have only been transacted in Canadian dollars since incorporation and until September 30, 2018; in addition, the Corporation carries no interest-bearing debt. As such, the Corporation has minimal market risks facing it at present.

Capital Management

The Corporation manages its capital structure and adjusts it, based on the funds available to the Corporation, in order to support the identification and evaluation of a Qualifying Transaction, and to maintain its ability to continue as a going concern. The Corporation considers capital to be all accounts in equity. The board of directors of the Corporation (the "Board") does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Corporation's management to sustain future development of the business. Additional funds may be required to finance the Corporation's Qualifying Transaction. In accordance with the CPC Policy, the proceeds raised from the sale of securities may only be used to identify and evaluate assets or businesses, and obtain shareholder approval for a QT, with the exception that up to the lesser of 30% of the gross proceeds realized by the Corporation in respect of the sale of its securities, or $210,000, may be used for purposes other than such identification and evaluation of businesses or assets. These restrictions apply until completion of the Qualifying Transaction. The Corporation is required to complete its Qualifying Transaction on or before two years from the Listing Date.

Disclosure of Data for Outstanding Shares and Stock Options

Common Shares

As at the date of this MD&A, the Corporation has 4,000,000 Shares outstanding. All Shares are subject to escrow restrictions and will be released from escrow in tranches over 36 months commencing from the Listing Date.

Stock Options

On June 22, 2018, the Board established a stock option plan ("Stock Option Plan") where the Board may, from time to time, grant directors, officers, employees and consultants non-transferable options to purchase Shares, provided that the number of Shares served for issuance will not exceed 10% of the total issued and outstanding common shares of the Corporation, exercisable for a period of up to 10 years from the date of the grant. In accordance with the CPC Policy, during the time that the Corporation is a CPC and prior to completion of a Qualifying Transaction: (i) options granted to a director or officer of the Corporation individually may not exceed 5% of the Shares of the Corporation issued and outstanding at the closing of the IPO; and (ii) options granted to all technical consultants may not exceed 2% of the Shares of the Corporation issued and outstanding at the closing of the IPO. The Board shall not grant any options to an eligible participant under the Stock Option Plan providing investor relations activities, promotional or market-making services to the Corporation.

The exercise price of any option granted pursuant to the Stock Option Plan shall be determined by the Board when granted, but shall not be less than the market price. Until Completion of the QT the exercise price shall not be less than the greater of $0.20 and the Discounted Market Price (as defined by the CPC Policy). Any Shares acquired pursuant to the exercise of options prior to the completion of the Qualifying Transaction, must be deposited in escrow and will be subject to escrow until completion of a Qualifying Transaction.

On June 22, 2018, the Board approved the issuance of 130,000 stock options to a director of the Corporation. These stock options are to be issued upon closing of the IPO and will have an expiry date of ten years from the IPO closing date and an exercise price of $0.20.

Disclosure Controls and Procedures

In connection with National Instrument 52-109 *Certificate of Disclosure in Issuer's Annual and Interim Filings* ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Corporation have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the condensed interim financial statements for the period ended September 30, 2018 and this accompanying MD&A.

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

Risks Factors

Investing in the Shares involves risk. Prospective investors should carefully consider the risks described below, together with all of the other information included in this MD&A before making an investment decision. If any of the following risks actually occurs, the business, financial condition or results of operations of the Corporation could be harmed. In such an event, the trading price of the Shares could decline and prospective investors may lose part or all of their investment.

No Operating History

The Corporation was incorporated on March 28, 2018 and has not commenced commercial operations. The Corporation has neither a history of earnings nor has it paid any dividends and it is unlikely to produce earnings or pay dividends in the immediate or foreseeable future. Until completion of a Qualifying Transaction, the Corporation is not permitted to carry on any business other than the identification and evaluation of a potential Qualifying Transaction. The Corporation has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Corporation will be able to identify a suitable Qualifying Transaction. Even if a proposed Qualifying Transaction is identified, there can be no assurance that the Corporation will be able to successfully complete the transaction.

Possible Trading Suspension or Delisting

The Exchange may suspend from trading or delist the securities of the Corporation where the Corporation has failed to complete a Qualifying Transaction within the 24 months of the Listing Date or if the

Corporation fails to meet initial listing requirements of the Exchange upon completion of the Qualifying Transaction. Trading in the Shares of the Corporation may be halted at other times for other reasons, including for failure by the Corporation to submit documents to the Exchange in the time periods required.

Halt of Trading

Upon public announcement of a potential Qualifying Transaction, trading in the Shares will be halted and will remain halted until completion of the Qualifying Transaction, or sooner pursuant to the CPC Policy. Neither the Exchange nor any securities regulatory authority passes upon the merits of the potential Qualifying Transaction.

Exchange May Not Approve a Qualifying Transaction

Completion of a Qualifying Transaction is subject to a number of conditions including acceptance by the Exchange and, in the case of a Non-Arm's Length Qualifying Transaction, Majority of the Minority Approval (as such terms are defined in the CPC Policy).

Notwithstanding that a transaction may meet the definition of a Qualifying Transaction; the Exchange may not approve a Qualifying Transaction: (a) if the Corporation fails to meet the initial listing requirements prescribed by Policy 2.1 – *Initial Listing Requirements* of the Exchange upon completion of the Qualifying Transaction; (b) if, following completion of the Qualifying Transaction, the Corporation will be a finance company or a mutual fund as defined under applicable securities laws; (c) the consideration proposed to be paid by the Corporation in connection with the Qualifying Transaction is not acceptable to the Exchange; or (d) for any other reason at the sole discretion of the Exchange.

Approval by the Majority of the Minority

Where Majority of the Minority Approval is required, unless the shareholder has the right to dissent and be paid fair value in accordance with the applicable corporate or other law, a shareholder who votes against a proposed Non-Arm's Length Qualifying Transaction for which Majority of the Minority Approval (as such terms are defined in the CPC Policy) by shareholders has been given, will have no rights of dissent and no entitlement to payment by the Corporation of fair value for the Shares.

Dilution

If the Corporation issues treasury shares to finance acquisition or participation opportunities, control of the Corporation may change and subscribers may suffer dilution of their investment.

Directors and Officers

The directors and officers of the Corporation will not be devoting all of their time to the affairs of the Corporation but will be devoting such time as required to effectively manage the Corporation and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time.

Reliance on Management

The Corporation is relying solely on the past business success of its directors and officers to identify a Qualifying Transaction of merit. The success of the Corporation is dependent upon the efforts and abilities of its directors and officers. The loss of any of its directors or officers could have a material adverse effect upon the business and prospects of the Corporation.

Foreign Acquisition

In the event the Corporation identifies a foreign business as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts.

Loans or Advances

Subject to prior acceptance from the Exchange, the Corporation may be permitted to loan or advance up to an aggregate of $250,000 ($25,000 without prior Exchange approval) of its proceeds to a target business without requiring shareholder approval and there can be no assurance that the Corporation will be able to recover the loan or advance.