MINFOCUS EXPLORATION CORP.

MANAGEMENT DISCUSSION AND ANALYSIS
For the three months ended May 31, 2018

July 27, 2018

Background

This management discussion and analysis of financial position and results of operation ("MD&A") is prepared as at July 27, 2018 and should be read in conjunction with the condensed interim consolidated financial statements for the three months ended May 31, 2018 for Minfocus Exploration Corp. (the "Company"). The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information is provided in the Company's financial statements and other documents. These documents are available from SEDAR at www.sedar.com.

Minfocus' disclosures, of a technical or scientific nature, have been reviewed by Graham C. Wilson, Ph.D., P.Geo, (ON) *Qualified Person under the definition of National Instrument 43-101.*

Company Overview and Operations

The Company was incorporated under the *Business Corporations Act* (British Columbia) on August 6, 2010. The Company completed its initial public offering ("IPO") on October 19, 2010 and was listed on the TSX Venture Exchange ("Exchange") as a capital pool company ("CPC"). The Company's shares began trading on October 21, 2010.

Pursuant to a Share Exchange Agreement dated September 2, 2011, the Company acquired all of the issued and outstanding shares of Minfocus International Ltd. ("Minfocus International") in exchange for common shares of the Company. The transaction received Exchange approval and closed effective January 20, 2012 and the Company's shares resumed trading on the Exchange under the symbol "MFX" on January 25, 2012. The Company is classified as a Tier 2 Mineral Exploration company.

Minfocus International is a private company incorporated under the laws of Canada and is an exploration stage company principally engaged in the business of exploring and developing base metals (zinc and lead) and platinum-group elements (PGE) (platinum, palladium and rhodium) mineral properties. The Company currently holds interests in the Coral Zinc Project, the Peregrine Zinc Project, all located in British Columbia, the Round Pond Zinc Project in Newfoundland, as well as the Nipigon Reefs PGE Property in the Thunder Bay Mining Division of Northwestern Ontario.

In August 2017 the company announced that it had earned its initial direct 20% interest in the tenures comprising the Coral Zinc Project in northeastern British Columbia. Under the option agreement to earn up to a 60% interest in the Coral Zinc Project, Minfocus has exceeded exploration expenditures of $450,000 and issued 400,000 shares to the Vendors, and Minfocus now holds a direct 20% interest in the tenures comprising the Coral Zinc Project.

In January 2018 the Company announced that the Board of Directors had recently undertaken a review of various alternatives for advancing Minfocus which included discussions with potential investors. In the course of that review, and as a result of discussions with potential investors, the Board of Directors of the Company received a proposal for an RTO transaction. The Board formed a Special Committee of its independent directors to consider the merits of the proposal and advise the Board. After consideration and negotiations with the offeror, the offer was not accepted. In addition, the Board decided that an application to the Canadian Securities Exchange, previously announced, was not in the best interests of the Company at that time.

Following the Board of Directors decision to not approve the offer received, Gerald Harper and Brian Howlett resigned their respective positions as an officer and directors of the Company, effective January 9,

2018. The Board of Directors appointed Kenneth de Graaf to the position of President and CEO as of January 9, 2018.

In January 2018, the Company formed an Advisory Board and elected Dr. Francis Manns, P.Geo.(ON) and Mr. Neil Froc, P.Eng. as its initial members. In February 2018, Mr. John G. Booth, B.Sc.(Hons), LLB, JD, LLM of London, UK and Dr. Cynthia R. Coron, Ph.D. of Texas, USA were appointed to the Advisory Board. In March 2018, Wayde Guinchard of Newfoundland was appointed to the Advisory Board.

In February 2018, director Phil D'Mello resigned from the Board of Directors and was replaced with the appointment of Neil Froc, P.Eng. to the Board of Directors. Also, in February, the Company appointed Jody Bellefleur, CPA, CGA to the position of Chief Financial Officer.

In March 2018, the Company entered into an agreement to acquire a 100% interest in the Round Pond Zinc Project, comprising 30 claims (750 hectares), located in Western Newfoundland for total consideration of 3.75 million shares of the Company in the first two year (750,000 shares issued subsequent to February 28, 2018) with the option of either paying $25,000 cash or issuing a further 1.5 million shares on the 2 year anniversary date, and the grant of a 2.0% Net Smelter Return ("NSR") royalty, of which $1.5 million can be paid to reduce the royalty to 0.75%.

On April 11, 2018, the Company entered into an agreement to acquire a 100% interest in a mineral claim contiguous to the Company's Peregrine Zinc Project. Total consideration for the claim is 200,000 shares upon TSX Venture Exchange approval (issued May 11, 2018 with a fair value of $3,000), plus a payment of $2,500 or 350,000 shares within 3 months of approval (350,000 shares issued June 26, 2018 with a fair value of $5,250), at the discretion of the Company. A 2.0% Net Smelter Return ("NSR") royalty was granted to the seller, of which $500,000 can be paid to reduce the royalty to a 1.0% NSR interest.

On July 19, 2018, the Company announced a proposed consolidation of the outstanding common shares of the Company on the basis of seven (7) pre-consolidation shares for one (1) post-consolidation share. The proposed share consolidation is subject to TSX Venture Exchange approval.

On June 28, 2018, the Company announced its intention to acquire a 45% ownership interest ("New Coral Interest") in the 80% interest in the Coral Zinc Project tenures that it currently does not hold. The Company currently holds a direct 20% interest and this acquisition would represent an additional 36% beneficial ownership interest in the Coral Zinc Project. The Company was to issue 7,500,000 shares and 7,500,000 share purchase warrants, exercisable at $0.05 per share for 2 years. Following the announced share consolidation, the terms of the agreement were revised and the Company will issue 7,180,000 post-consolidated shares and 7,180,000 share purchase warrants, exercisable at $0.07 for 2 years.

On July 25, 2018, the Company announced a non-brokered private placement, post consolidation, of up to 10,000,000 units for gross proceeds of up to $750,000, comprising both flow-through units and non flow-through units. Each non flow-through unit ("NFT Unit) will be offered at a price of $0.055 and will consist of one post-consolidation common share ("Share") and one non-transferable share purchase warrant ("Warrant"). Each whole warrant will entitle the holder to purchase one additional post-consolidated share at a price of $0.07 for three years from the closing date. Each flow-through unit ("FT Unit") will be offered at a price of $0.06 and will consist of one post-consolidation common share issued on a flow-through basis and one non-transferable share purchase warrant. Each warrant will entitle the holder to purchase one additional post-consolidated non flow-through share at a price of $0.07 for three years from the closing date. A maximum of 7,500,000 FT Units, or 75% of the offering, will be made available for the issuance under the Offering as FT Units. The use of proceeds is intended to finance exploration and development of mineral properties in which the Company holds an interest, payment of unrelated pary trade payables and debts, legal fees, and for general working capital for the Company. The private placement is subject to acceptance by the TSX Venture Exchange ("TSXV). Finders' fees may be paid in accordance with TSXV policy.

Mineral Properties

Coral Zinc Project, British Columbia

In January 2015, the Company entered into an agreement under the terms of which it has an option to earn up to an initial 60% interest in the Coral Zinc Project, a zinc exploration project comprising approximately 3,600 hectares situated in northeastern British Columbia. The optioned tenures are also subject to work and payment commitments to the vendors as shown in the table below in order to earn the up to a 60%

interest in the mineral rights. The Coral tenures are in good standing with the BC Ministry of Energy & Mines until September 2024. One of the optionors, who holds a 5% interest, is a current director and officer of the Company.

January 19, 2015	Contract signed.	Completed
by September 30, 2015	Commitment to incur $50,000 of expenditures.	Completed
by September 30, 2016	Commitment to incur an additional $100,000 of expenditures.	Completed
by September 30, 2017	Commitment to incur an additional $300,000 of expenditures and pay the optionors consideration that is the equivalent of $20,000 cash and/or shares, at which stage the Company will be deemed to have earned a 20% interest (400,000 shares issued).	Completed
by September 30, 2018	Commitment to incur an additional $550,000 of expenditures and pay the optionors consideration that is the equivalent of $40,000 cash and/or shares, at which stage the Company will be deemed to have earned a 40% interest.	Pending
by September 30, 2019	Commitment to incur an additional $1,000,000 of expenditures and pay the optionors consideration that is the equivalent of $100,000 cash and/or shares, at which stage the Company will be deemed to have earned a 60% interest.	Pending

After the Company has earned the 60% interest, should the optionors not contribute their full pro-rata share of any work program expenditures, the Company can earn an additional 10% interest by expending an additional $1,000,000 within two years thereafter. The Project is subject to a 3% Net Smelter Royalty of which 2% can be bought for $4,000,000. During the year ended February 28, 2017, the Company allowed certain claims to lapse and as compensation, issued 100,000 shares to the vendors, valued at $5,000. In August 2017, the Company issued 400,000 shares to acquire an initial 20% direct interest in the tenures comprising the property.

Myst Metals Nickel Property, British Columbia

In October 2014, the Company entered into a letter of agreement under the terms of which it has an option to earn a 100% interest in the Myst Metals Nickel Property, a nickel project situated in northern British Columbia. To earn the interest, the Company was required to make cash payments of $7,000 and issue 400,000 shares to the optionor over a period of two years. The Company has made the payments and has issued the required shares and has therefore earned the interest in the property. During the year ended May 31, 2018, the claims were allowed to lapse and the carrying value of the property amounting to $37,779 was written off.

Nipigon Reefs PGE Property, Ontario

The Nipigon Reefs Property is an exploration project in the Thunder Bay Mining Division of Northwestern Ontario. The property comprises the claims previously referred to as the Springlet Lake Prospect which were staked by the Company, plus the Seagull North Prospect, which was optioned. The staked claims of the Springlet Lake Prospect, valued at $171,853, have been impaired during the year ended February 28, 2018. The optioned claims are subject to work and payment commitments to the vendors (Canadian International Pharma Corp., Rainy Mountain Royalty Corp. and White Metal Resources) as shown in the table below in order to earn the initial 55% interest in the mineral rights.

February 22, 2011	Contract signed.	Completed
by February 28, 2011	Aggregate cash payments of $55,000 (paid) and issuance of 50,000 common shares (issued and valued at $20,000).	Completed
by February 22, 2012 (amended below)	Consideration that is the equivalent to $25,000 in cash and/or shares of the Company (paid in shares); and incur an aggregate of $250,000 of expenditures (amended below).	Completed

by April 30, 2012	Minimum commitment to incur $250,000 of aggregate expenditures per above extended from February 22, 2012 to April 30, 2012 (incurred).	Completed
by February 22, 2013	Consideration that is the equivalent of $25,000 cash and/or shares of the Company; and incur an additional $250,000 of expenditures (incurred).	Completed
by February 22, 2014 (amended below)	Consideration that is the equivalent of $25,000 cash and/or shares of the Company (paid in shares); and incur an additional $250,000 of expenditures (amended below).	Completed
by August 31, 2014	Commitment to incur an additional $250,000 of expenditures per above extended from February 22, 2014 to August 31, 2014 (incurred).	Completed
by February 22, 2015 (amended below)	Commitment to incur an additional $250,000 of expenditures by February 22, 2015 extended to September 30, 2015. As consideration for the extension, the company issued 1,000,000 shares to the optionors.	Common shares issued
by September 30, 2015 (amended below)	Commitment to incur an additional $250,000 of expenditures by September 30, 2015 extended to September 30, 2017. As consideration for the extension, the Company issued 500,000 common shares to the optionors.	Common shares issued
by September 30, 2017 (amended below)	Commitment to incur an additional $250,000 of expenditures by September 30, 2017 extended to September 30, 2018. As consideration for the extension, the Company issued 600,000 common shares to the optionors.	Common shares issued
by September 30, 2018	Incur an additional $250,000 of expenditures as extended from September 30, 2017 above.	Pending

Also, under the amended option agreement, the option period has been extended to September 30, 2019, by which time if the Company makes a cumulative expenditure balance of $3,000,000, it may earn a 70% undivided interest in the mineral rights. Thereafter each Optionor has the right to contribute its proportion of ongoing expenditures or forfeit its proportionate interest and convert to a 1% royalty, which may be purchased by the Company under certain conditions.

If the Company is unable to raise adequate financing or obtain an extension of time to fulfill its obligations under the option agreement, the Company's ability to maintain part or all of the property would be jeopardized.

Peregrine Zinc Project, British Columbia
The project comprises optioned claims supplemented by claims staked by the Company within the option Area of Interest. In January 2017 the Company entered into an option earn-in agreement on a Mississippi Valley Type ("MVT") Lead-Zinc property, the Peregrine Project, in southeastern British Columbia. The Company could earn a 100% interest in the property over a period of two years by making optional staged payments totaling $10,000 in cash (paid) and issuing 1,000,000 shares (550,000 issued at February 28, 2018 and 350,000 issued during the three months ended May 31, 2018) plus the grant of a 2% NSR. The Company has the option to repurchase up to 1% of the NSR for $1.0 million after commercial production. The Company holds a 100% interest in the Peregrine tenures remain in good standing until September 2021. Fieldwork was undertaken in July and October 2017, with some promising results in both soil and rock samples.

Peregrine Extension, British Columbia
On April 11, 2018, the Company entered into an agreement to acquire a 100% interest in a mineral claim contiguous to the Company's Peregrine Zinc Project. Total consideration for the claim is 200,000 shares upon TSX Venture Exchange approval (issued May 11, 2018 with a fair value of $3,000), plus a payment of $2,500 or 350,000 shares within 3 months of approval (350,000 shares issued June 26, 2018 with a fair value of $5,250), at the discretion of the Company. A 2.0% Net Smelter Return ("NSR") royalty was granted to the seller, of which $500,000 can be paid to reduce the royalty to a 1.0% NSR interest.

Round Pond Zinc Project, Newfoundland
In March 2018, the Company entered into an agreement to acquire a 100% interest in the Round Pond Zinc Project, comprising 30 claims (750 hectares), located in Western Newfoundland for staged payments to total consideration of up to 5.25 million shares of the Company, plus the grant of a 2.0% Net Smelter Return ("NSR") royalty, which the Company may reduce the royalty to a 0.75% NSR interest for a payment of $1.5 million. The Company issued 750,000 shares subsequent to February 28, 2018. The Round Pond claims remain in good standing until January 2019.

Exploration Activities

Coral Zinc Project, British Columbia
In June 2015 the Company undertook an initial field program at the Coral Zinc prospect which located previously discovered mineralized outcrops and a trench that confirmed significant zinc and lead mineralization of up to 6.43% zinc and up to 3.81% lead from the resampling of the rediscovered mineralized trench at Hound Dog Creek, originally excavated in 1985.

The mineralized 1985 trench is located within the area of an eight-hole 1988 diamond drilling program. After cleaning out the trench, chip channel samples were collected at one metre intervals over the full 9.0 metre length yielding an average grade of 3.22% zinc, 0.72% lead and 0.9 grams per tonne of silver. Though the resampling conditions impeded truly evenly spaced samples, the intervals extended over weakly to strongly mineralized bedrock. Three of the nine trench samples assayed 5.86-6.43% zinc, while all other samples exceeded 1.32% zinc, except one at 0.46% zinc. Two samples assayed 2.11% and 3.81% lead.

Prospecting also revealed sufficient points to re-establish the location of the geochemical survey grid (600m x 800m) and provide for accurate location of future drilling to test the very large (300m x 600m) soil anomaly with highly elevated zinc (up to 6680 ppm Zn) along with contiguous anomalous lead and silver values, which is open-ended in at least two directions. The four mineralized drill holes from the 1988 program, and the 1985 trench recently resampled by the Company, are located 50 - 100 metres away from the edge of this large zinc geochemical anomaly.

The Company submitted a Notice of Work application for a permit to undertake a drill program to drill test this zinc soil geochemical anomaly. The B.C. Ministry of Energy and Mines has approved an amended Mines Act permit to Minfocus to allow an area of New Disturbance of 1.82 ha to facilitate a drill program of up to twenty drill pads (sites: four used in 2016, 16 remaining) which expires in December 2019.

The Company undertook a 550 metre drill program on the property in the summer of 2016. Nine diamond drill holes were completed from four set-up sites. Drill hole C16-9 intersected two encouraging zones of visible zinc mineralization. Hole C16-9 is located southwest of the trench area and about 300 metres beyond any other drilling. A second zinc mineralized outcrop showing was found about 50 metres northeast of the trench area with horizontal extent of 7 metres and a vertical interval of 1.3 metres. Hole C16-9 was drilled from the last site in the program which was a substantial step out southwest from the Hound Dog Creek trench and intersected an upper interval displaying massive sulphides comprising blebs of sphalerite (zinc sulphide) and pyrite (iron sulphide). Lower down in the hole more sphalerite occurs disseminated through the dolostone host. The first three sites tested the area uphill from the Hound Dog Creek trench across the large zinc geochemical anomaly. These holes intersected stratabound shines, shows and sub-vertical veinlets of sphalerite. The newly excavated outcrop showing and the 1988 and 2016 drill intersections are all at the same stratigraphic position which demonstrate mineralization over an area of more than 300 x 100 metres and open ended.

Below is a summary of the assay results from the key drill core intervals from the 2016 drill program.

					Drill Collar Coordinates (UTM) Zone 10			
Hole #	**From (m)**	**To (m)**	**Core Length (m)**	**% Zinc**	**North**	**East**	**Hole Angle (deg)**	**Azimuth Bearing (deg)**
C16-09	37.6	38.7	**1.1**	**2.47%**	6223767	475756	-90	0
C16-09	46.9	50.9	**4.0**	**0.97%**	6223767	475756	-90	0
C16-06	20.2	23.2	**3.0**	**0.38%**	6224296	475738	-90	0
C16-03	42.7	43.7	**1.0**	**0.30%**	6224004	475799	-60	354

The new showing is located along Hound Dog Creek approximately 50 metres east-northeast of the 2015 Hound Dog Creek Trench, and 8 – 10 metres north of 1988 historic drill hole 88-4, where 4 metres grading 3.5% zinc was intercepted starting 5.1 metres down-hole. The chip sampling of the new showing extended a total length of 7.0 metres in an East-West direction parallel to Hound Dog Creek, which yielded samples with an average grade of 0.94% zinc over 5.0 metres (including an interval of 2.33% zinc over 1.5 metres), starting from the west end of the outcrop, closest to Hound Dog Creek Trench No.1.

On October 3, 2017, an aerial LiDAR survey covering roughly one-third of the Coral Zinc Project was flown by Eagle Mapping Ltd. of British Columbia. This 16 square kilometre survey area included the Hound Dog Creek soil anomaly and the area of the most-recent drilling, plus a significant buffer around this area of interest, in order to guarantee accuracy and an adequate density of data points within the survey boundaries. On December 19, 2017, a data report was delivered to Minfocus which included Digital Elevation Contours (1-m intervals), a “Bare-Earth” Digital Elevation Model (“DEM”) (1-m Grid) and a LiDAR Hillside Raster (1-m resolution) in GeoTiff image and pdf formats. The LiDAR data were concluded by Eagle Mapping to be accurate to +15 cm vertically and +30 cm horizontally.

A preliminary analysis of the LiDAR images has identified multiple features suggestive of collapsed areas potentially indicative of marine sinkhole fill, a feature known to be associated with deposit mineralization at other Mississippi Valley Type zinc deposits such as Daniel’s Harbour, Newfoundland and Pine Point, NWT. These previously unidentified structures at the Coral Zinc Project are both within and outside the areas of recent exploration by Minfocus, however, these areas have not yet been tested by any of the prior drilling on the project area. More detailed, analysis of the “Bare-Earth” DEM is expected to identify priority targets for the next drill program at the Coral Zinc Project, which comprises several zones of soil, stream-sediment and gossan anomalies and mineralization over circa 50 square kilometres of claims.

Peregrine Zinc Project, British Columbia

In July 2017, the Company completed an initial field program at its Mississippi Valley Type (“MVT”) Peregrine Zinc property in southeastern British Columbia. The work relocated an area of historic trenching from which several samples were collected assaying 13.0 to 35.9% zinc. A geochemical soil survey has demonstrated a strong zinc anomaly extending the full 650 metres of the surveyed area.

The initial discovery of lead-zinc mineralization on the Peregrine property dates back to the 1970’s with the most recent exploration being historic work from 1986 by Cominco. Regional lead-zinc exploration throughout British Columbia mostly ceased around that time due to poor metal prices.

Historical chip sampling of a showing by Cominco, in 1986, using 1-metre intervals, channeled obliquely across breccia zones in the Cambrian-age Jubilee Formation, assayed 11.7% Zn over 1.7 m. Historical geochemical surveys indicate widespread, very high zinc values in soils. Anomalous soil analyses ranged from 5,000 to 30,000 ppm Zn and from 100 to 1,500 ppm Pb. All assays and analyses were performed at Cominco’s exploration laboratory in Vancouver, B.C.

Minfocus' exploration team relocated the showing and collected several grab samples from the zinc mineralized exposures in the blasted area with results as shown below:

Sample	Zinc %	Lead %	Iron %	Silver ppm
27	26.9	0.28	1.67	10
28	35.9	0.28	4.11	16
30	19.1	0.44	1.25	12
31	13.0	0.48	1.08	7

The very low iron content demonstrates the attractiveness of this mineralization, implying the occurrence of low-iron sphalerite, which is preferred by smelters and is characteristic of many Mississippi Valley type zinc deposits.

The team also soil sampled an area of 1,000 x 700 metres along the strike of the potential mineralization host and identified a strong soil anomaly along 650 metres of the favourable host horizon. The highest zinc values were over 3,000 parts per million ("ppm") and were supported by a coincident lead anomaly. Analyses were all undertaken by Activation Laboratories Ltd. For more information on the Peregrine property and results of the soil survey the reader should visit the Company website at www.minfocus.com.

In October 2017, a further program generated analytical results from additional soil samples collected at the Peregrine Zinc Property which indicate that the zinc soil anomaly extends over 1,500 metres, west-southwest along strike from the area that was reported in July 2017 to have four samples with values ranging from 13.0% up to 35.9% Zinc as announced in Minfocus' press release of September 12th, 2017. The soil sampling extended through the area where old adits and a possible shaft have been located, and beyond them to the westward limit of sampling. As reported in the press release dated December 13th, 2017, seven samples collected from the rock dump adjacent to the collapsed shaft collar yielded values ranging from 0.02% Zinc and 0.105% Lead and up to 8.97% Zinc and 1.72% Lead in brecciated dolostone with abundant dark, iron-rich sphalerite forming much of the matrix between the fragments of dolomite. Several of the soil samples gave values for zinc, lead and silver which were above the maximum detection limit for the analytical method used by Activation Laboratories Ltd. Those samples, with values of more than 10,000 ppm (1%) zinc, 5,000 ppm (0.5%) lead and 100 ppm (3.2 oz/t) silver were re-submitted for analysis by a method suitable for higher grade material, with the following results:

Sample	Zinc %	Lead %	Iron %	Silver ppm
PSL-101	1.03	0.015	3.71	< 3
PSL-114	0.745	1.37	41.2	11
PSL-115	1.01	11.7	25.5	128
PSL-116	1.18	2.24	11	24

Myst Metals Nickel Property, British Columbia

In June 2015, the Company undertook an initial field program at the Myst Metals Nickel prospect during which a preliminary geological survey was undertaken to identify prospective geological environments for nickel containing awaruite, other nickel minerals and also PGE (platinum group elements). Samples were collected and a selection of these samples were submitted for both mineralogical and chemical analyses. Preliminary mineralogical work indicates that awaruite is present as fine-grained disseminations within serpentinized dunites. The work undertaken on the property was sufficient to maintain the tenure in good standing until May 2018; the Myst claims were allowed to lapse at that time.

Nipigon Reefs PGE Property, Ontario

In February and March 2012 the Company undertook a winter drilling program on its optioned Seagull North Prospect claims which form part of its Nipigon Reefs project in northwestern Ontario which is road accessible, just 80 km north of Thunder Bay, Ontario, and 15 km north of the nearby Current Lake PGE deposit (>700,000 oz Pt-Eq, using 2010 metal prices) of Panoramic Resources Ltd. Drilling targeted extensions of the previously identified multiple layers of mineralization with platinum group elements, gold, copper and nickel. Minfocus has constructed a new geological model of the Nipigon Reefs by incorporating and reinterpreting a broader database of historic drilling than prior groups have used previously, which suggests that the mineralised layers could be much more extensive than previously interpreted.

The drilling and assaying confirmed the existence of multiple layers of PGE mineralisation and suggested that some historic holes had not been sampled adequately and therefore additional sampling of some of the available core from old holes was completed. On August 7th, 2012 the Company announced that ongoing sampling of drill core from holes WM12-34 to WM12-37 had returned additional significant intercepts with lengths up to 5.0 metres long with PGE grades up to 2.47 g/t 3E (3E=Pt+Pd+Au assays).

In summer 2013 a program of hand augering of holes around historic trenches was undertaken to confirm historic anomalous values in platinum and palladium. This was successful in expanding an area of anomalous platinum and palladium values in unusually weathered host rock. Mapping, geochemical and geophysical studies are in progress to identify the source areas for the PGE mineralization.

Mapping in 2013 and 2014 has been directed at areas with inadequate information to confirm the historic interpretation of the platinum and palladium bearing host rocks and has resulted in a re-interpretation of the host environment to one where north-northwesterly trending faults creating a block faulted system are prominent and will determine where the platinum-palladium horizons can be projected to surface.

In June 2014 a trenching program delineated the basal contact of the mafic - ultramafic layered complex but it did not host elevated PGE values.

General

As of May 31, 2018, total accumulated acquisition, exploration and evaluation expenditures for the mineral properties were as follows:

Property	**February 28, 2018**	**Additions**	**Write-down**	**February 28, 2018**
Coral	432,214	-	-	432,214
Nipigon Reefs	1,273,498	900	-	1,274,398
Peregrine	61,755	5,250	-	67,005
Peregrine Extension	-	3,000	-	3,000
Round Pond	-	12,131	-	12,131
Total	$ 1,767,467	$ 20,381	$ -	$ 1,788,748

Results of Operations

The Company had a net income of $12,416 ($0.00 per share) for the three months ended May 31, 2018, compared with a loss of $21,528 ($0.00 per share) during the comparative period in 2017. No revenues were earned in either period.

Professional fees increased to $29,690 in the three months ended May 31, 2018 from $1,579 in 2017 due to an increase in business transactions. Office and administrative costs incurred were $22,128 in 2018, compared with $16,215 in 2017, as a result of the increased business activities. Share-based compensation cost of $5,960 in 2018 increased compared to $nil in 2017 due to options granted during the period. The Company incurred interest costs of $nil in 2018 compared to $2,510 in 2017, resulting primarily from a related party loan granted in the previous year's period. The Company recorded a gain of $70,695 on the settlement of debt owed to creditors in 2018.

Summary of Quarterly Results

The following selected information has been extracted from the Company's audited quarterly financial statements. All amounts stated are stated in Canadian dollars in accordance with IFRS.

Quarter ended :	Net loss (income)	Net Loss Per share
	$	$
August 31, 2016	29,040	0.00
November 30, 2016	33,481	0.00
February 28, 2017	65,727	0.00
May 31, 2017	21,527	0.00
August 31, 2017	(2,144)	0.00
November 30, 2017	8,494	0.00
February 28, 2018	338,577	0.01
May 31, 2018	(12,416)	0.00

The February 28, 2017 quarter includes $18,354 in share-based compensation. The August 2017 quarter includes a write-off of accounts payable of $20,783. The February 28, 2018 quarter includes $111,782 of share-based compensation and $209,632 in impairment of exploration properties. The May 31, 2018 quarter includes a gain on the settlement of debt of $70,695.

Liquidity and Capital Resources

The Company is dependent on raising funds by the issuance of shares, borrowings or subsequent disposition of interests in mineral properties it may own or otherwise acquire in order to finance further acquisitions, undertake exploration of other mineral properties and meet general and administrative expenses in the immediate and longer term.

As at May 31, 2018, the Company had cash and cash equivalents of $15,039 as compared to $14,098 at February 28, 2018. The Company had a working capital deficit of $92,243 at May 31, 2018, compared with a deficit of $140,043 at February 28, 2018.

In June 2017, the Company settled $462,344 in related party debt comprising various account balances and the aforementioned loan debt, by way of issuing 9,245,895 common shares of the Company and wrote off an additional $20,783 of related party debt.

In June 2017 the Company raised $77,500 by way of a private placement through the issuance of 3,100,000 units at $0.025 per unit, comprising 1,600,000 flow-through units and 1,500,000 non flow-through units. Each flow-through and non-flow-through unit comprised one common share and one common share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share of the Company at a price of $0.10 per share for a period of two years from the date of closing of the private placement, subject to certain acceleration provisions. The Company paid a finder's fee of $3,800 and issued 32,000 finders' warrants in relation to the financing. The finder's warrants were issued at an exercise price of $0.025 per unit, which are exercisable for a period of two years, subject to a certain acceleration provisions. The grant date fair value of the warrants was estimated at $21,226 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 105% based on the historical volatility of the Company's stock; risk-free interest rate of 1.109% and an expected average life of two years.

On May 31, 2018, the Company settled outstanding debt of $101,397, $11,242 of which was due to related parties, in exchange for the issuance of 2,027,937 shares at a deemed value of $0.05 per share. The fair value of the shares on the settlement date was $0.015 per share.

The future funding needs of the Company are dependent upon the Company's ability to obtain additional equity and/or debt financing. The inability to raise adequate financing would jeopardize the Company's ability to maintain its property. The Company continues to closely monitor its ongoing requirements and to explore all methods of raising additional funds. There can be no certainty that such additional funds may be raised when required.

Related Party Transactions

(a) During the three months ended May 31, 2018, private corporations controlled by directors who are also officers of the Company charged the Company $nil (May 31, 2017 - $4,825) in management fees related to the provision of office space and administrative support and other consulting.

(b) Officers and directors of the Company and companies controlled by such individuals were owed $nil as at May 31, 2018 (February 28, 2018 – $67,138) for services rendered and for expenses incurred in the ordinary course of business. This amount is unsecured, non-interest bearing with no fixed terms of repayment. In June 2017, the Company wrote off $20,783 and issued 6,445,871 common shares to settle $322,294 of amounts due to officers and directors. In May 2018, the Company settled $11,242 of amounts due to officers and directors by issuing 224,837 shares with a fair value of $3,373.

(c) In January 2015, the Company entered into an option agreement allowing it to acquire up to a 70% interest in the Coral Zinc Project. Two of the optionors, who together have a 50% interest in the claims ownership, are (or were) directors and officers of the Company at that time. At this time, there is only one optionor who is a director and officer of the Company who holds a 5% interest in the claim ownership. In August 2017, the Company issued 200,000 shares to those directors and officers as part of the shares issued to acquire a 20% direct ownership in the mineral tenures comprising the project, of which the current director and officer received 20,000 shares.

(d) In January 2017, the Company entered into an option agreement allowing it to acquire a 100% interest in the Peregrine Zinc Project. The optionor, who has 100% interest in the claims, became a director of the Company in February 2018. During the year ended February 28, 2018, the Company issued 550,000 shares and paid $10,000 to the director as per the option agreement. During the three months ended May 31, 2018, 350,000 shares were issued as per the option agreement.

(e) In accordance with IAS 24, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. The remuneration of directors and key management of the Company was as follows.

For the three months ended May 31, 2018 and 2017	**2018**	**2017**
Aggregate compensation - cash	$ -	$ 3,000
Aggregate compensation – options	-	-
Total aggregate compensation	$ -	$ 3,000

Outstanding and Convertible Common Shares

The Company's authorized share capital is unlimited common shares without par value. As at the date of this report, the Company's issued share capital was comprised of 76,565,424 common shares.

The following table summarizes information about stock options outstanding and exercisable at the date of this report:

Number of Options	Exercise Price	Expiry Date	Number of Exercisable Options	Weighted Average Remaining Life (years)
900,000	$0.10	December 19, 2021	900,000	3.56
3,600,000	$0.05	February 7, 2023	3,600,000	4.69
600,000	$0.05	February 14, 2023	600,000	4.71
300,000	$0.05	February 19, 2023	300,000	4.73
300,000	$0.05	March 27, 2023	-	4.82
5,700,000			5,400,000	4.52

The following table summarizes information about warrants outstanding and exercisable at the date of this report:

Number of Warrants	Exercise Price	Expiry Date	Number of Exercisable Warrants
3,100,000	$0.10	June 30, 2019	3,100,000
32,000	$0.025	June 30, 2019	32,000
3,132,400			3,132,400

Financial Risk Factors

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign exchange rate, and metals price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at May 31, 2018, the Company had a cash balance of $15,039 (February 28, 2018 - $14,098) to settle current liabilities of $117,669 (February 28, 2018 - $157,463). All of the Company's remaining financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity.

Market risk

(a) Interest rate risk

The Company has cash balances and no interest-bearing debt, other than the debt owing to a (former) director discussed above. The Company's current policy is to invest excess cash in guaranteed investment certificates or interest-bearing accounts of select major Canadian chartered banks. The Company regularly monitors compliance to its cash management policy.

(b) Foreign currency risk

The Company's functional and reporting currency is the Canadian dollar and all expenditures are transacted in Canadian dollars. As a result, the Company's exposure to the foreign currency risk is minimal.

(c) Commodity price risk

The Company is exposed to price risk with respect to market prices of base metals and precious metals, particularly zinc, lead, nickel, platinum and palladium. Commodity price risk is defined as the potentially adverse impact on earnings and economic valuations of the Company's mineral assets due price movements and volatilities of these commodities. The Company closely monitors the commodity prices relevant to the Company's mineral assets to determine appropriate courses of action to be taken by the Company.

(d) Credit risk

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. Credit risk for the Company is primarily associated with amounts receivable, which is comprised of GST/HST receivable due from the Federal Government of Canada. The Company has no significant concentration of credit risk arising from its operations. Management believes that the credit risk concentration with respect to amounts receivable is low.

Sensitivity analysis

As of May 31, 2018, both the carrying and fair value amounts of the Company's financial instruments are approximately equivalent due to their short-term nature.

Based on management's knowledge and experience of the financial markets, the Company believes that there would be no material movements for the year ended February 28, 2018 as a result of changes in interest and foreign exchange rates.

Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price of base and precious metals, particularly zinc, lead, nickel, platinum and palladium. The prices of these metals have fluctuated significantly in recent years. There is no assurance that, even as commercial quantities of base and precious metals, particularly zinc, lead, nickel, platinum and palladium may be produced in the future, a profitable market will exist for them. As of May 31, 2018 and February 28, 2018 the Company was not a producer of any metals. As a result, base and precious metals, particularly zinc, lead, nickel, platinum and palladium price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Significant Accounting Policies and Estimates

The preparation of financial statements requires management to establish accounting policies, estimates and assumptions that affect the timing and reported amounts of assets, liabilities revenues and expenses. These estimates are based on historical experience and on various other assumptions that management believes to be reasonable under the circumstances and require judgement on matters which are inherently uncertain. Details of the Company's significant accounting policies and new standards not yet adopted by the Company can be found in the audited financial statements for the year ended February 28, 2018.

Investor Relations Activities

The Company does not have any investor relations arrangements.

Forward Looking Statements

This discussion includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts, which address future production, reserve potential, exploration activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance, that the Company expressly disclaims any responsibility for revising or expanding the forward-looking statements to reflect actual results or developments, and that actual results or developments may differ materially from those projected, in the forward-looking statements.

Readers are referred to the more detailed information described in other disclosure documents filed with the applicable Canadian securities regulatory authorities and available at www.sedar.com.