

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND SIX MONTHS ENDED OCTOBER 31, 2018**

The information contained in this Management's Discussion and Analysis of Financial Condition and Results of Operations for the three and six months ended October 31, 2018 ("MD&A") has been prepared as of December 21, 2018. It should be read in conjunction with the unaudited condensed interim consolidated financial statements of Redzone Resources Ltd. (the "Company") for the three and six months ended October 31, 2018 as well as the audited annual consolidated financial statements for the year ended April 30, 2018 and the accompanying MD&A for the year then ended.

The referenced unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are expressed in the Company's presentational currency of Canadian dollars unless otherwise indicated.

CORPORATE HIGHLIGHTS

Business description

The Company's principal business activities include the acquisition and exploration of mineral properties, with its head office located in Vancouver, British Columbia, Canada. The Company holds a 55% controlling interest in the Lara Property in southern Peru and a 100% interest in the Fortner and Boyd Lithium Property ("Lucky Mica Claim Group") in Arizona USA. The Company is a reporting issuer in British Columbia, Alberta and Ontario and its common shares trade on the TSX Venture Exchange under the symbol REZ and on the Frankfurt Stock Exchange under the symbol "3F2.F".

Recent highlights

On October 23, 2018 the Company entered into an option agreement (the "NWL Agreement") to acquire up to a 90% interest in the North West Leinster Lithium Property ("NWL Property") in the Republic of Ireland.

On November 21, 2018 the Company entered into a purchase agreement to acquire a 100% interest in the Turks Nose and Popes Nose Claims (the "Nose Claims") located near Wells, British Columbia Canada.

On May 25, 2018 the Company issued 100,000 common shares pursuant to the Fortner and Boyd Lithium Property, increasing its ownership to 100%.

The Company completed an initial trenching program at the Property. A total of 246m of trenching in 17 trenches were completed. The results of the program, combined with the results from the earlier sampling, can be used as a guide to shallow follow-up diamond drilling. The Company has been approved for a drill permit and an initial first phase of drilling would comprise of 7 drill holes for a total of 520m to assess the presence and zonation of the mineralization.

Fortner and Boyd Lithium Property

On August 2, 2016 the Company entered into a binding letter agreement (the "original Agreement") for the grant to the Company of an option to acquire up to a 100% interest in the Fortner and Boyd Lithium Property ("Lucky Mica Claim Group" or the "Property") located in north central Maricopa County, Arizona.

On July 27, 2017 the Company entered into a new option agreement (the "Amended Agreement"). Under the terms of the Amended Agreement the Company earned a 100% interest in the Property, subject to a 0.667% NSR, by completing the following:

- Paying US \$7,500 on the date of execution of original Agreement (paid).
- Paying US \$10,000 within three business days of the approval date of the original Agreement (paid).
- Paying US \$30,000 on or prior to the earlier of i) 15 months following the date of the Amended Agreement or ii) the date of completion by the Company of an equity financing to raise aggregate gross proceeds of not less than \$500,000 (paid).

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- Issuing and delivering 300,000 common shares of the Company. (200,000 issued on September 29, 2016 and fair valued at \$28,000 and 100,000 issued on May 25, 2018 and fair valued at \$21,000.)

The Company can acquire the NSR by making a one-time cash payment of US\$1,000,000 at any time.

During the six months ended October 31, 2018 the Company fulfilled its obligations as per the Amended Agreement and exercised its option for 100% interest in the Property.

A total of US \$23,750 of these cash payments were made and 150,000 common shares were issued to a Director of the Company who was a part owner of the Property.

The claims comprising the Lucky Mica Claim Group are situated approximately 8 miles south west of the city of Wickenburg in Maricopa County, Arizona. The Property consists of 236 lode claims totaling approximately 4,876 acres. The claims cover the "Fortner and Boyd Lithium Deposit" recorded as such by the United States Geological Survey as Deposit 10064183 and catalogued as Mineral Resources Data System ID TC38458, hereby referred to as the "Mineralization". The Mineralization occurs within a pegmatite dyke in granitic rocks and schists. The dyke contains lithium bearing minerals noted as spodumene, amblygonite, lepidolite and beryl.

During the year ended April 30, 2017 the Company completed a National Instrument ("NI") 43-101 compliant technical report on the Property that has been filed on SEDAR at www.sedar.com. Sampling of the previously discovered pegmatite dyke yielded grades as high as 7.5% Li₂O from a spodumene rich pegmatite grab sample.

During the six months ended October 31, 2018 the Company completed an initial trenching program at the Property. A total of 246m of trenching in 17 trenches were completed. The results of the program, combined with the results from the earlier sampling, can be used as a guide to shallow follow-up diamond drilling. The Company has been approved for a drill permit and an initial first phase of drilling would comprise of 7 drill holes for a total of 520m to assess the presence and zonation of the mineralization.

North West Leinster Lithium Property

On October 23, 2018 the Company entered into an option agreement (the "NWL Agreement") to acquire a 90% interest in the North West Leinster Lithium Property ("NWL Property") in the Republic of Ireland. Pursuant to the NWL Agreement the Company must make a cash payment of €10,000 and incur a minimum of €40,000 in due diligence exploration expenses by April 23, 2020.

Upon completion of the due diligence expenditures the Company can exercise three options to acquire up to a 90% interest in the NWL Property as follows:

- The Company can exercise the first option by making a payment of either €50,000 in cash or €5,000 in cash and €45,000 in shares of the Company, within 14 days of the end of the due diligence period. Upon making the payment the Company can acquire a 51% interest by incurring exploration expenditures of €1,000,000 by April 23, 2022.
- The Company can exercise the 2nd option by making a payment €200,000 in cash or €20,000 in cash and €180,000 in common shares of the Company. Upon Making the payment the Company can acquire an additional 24% interest by incurring an additional €2,000,000 in exploration expenditures by April 23, 2025.
- Upon exercising the 2nd option the Company can earn an additional 15% interest by completing a preliminary economic assessment on the NWL Property and making a payment of €500,000 in cash or €50,000 in cash and €450,000 in common shares of the Company.

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Nose Claims

On November 21, 2018 the Company entered into a purchase agreement to acquire a 100% interest in the Turks Nose and Popes Nose Claims (the "Nose Claims") located near Wells, British Columbia Canada. Pursuant to the agreement the Company can acquire a 100% interest in the Nose Claims by completing the following requirements:

- Make cash payments of \$10,000 (paid) and issue 150,000 common shares upon execution of the agreement,
- Make a cash payment of \$20,000 and issue 200,000 common shares on November 21, 2019;
- Make a cash payment of \$20,000 and issue 200,000 common shares on November 21, 2020;
- Make a cash payment of \$25,000 and issue 250,000 common shares on November 21, 2021;
- Make a cash payment of \$25,000 and issue 300,000 common shares on November 21, 2022.

There is a 2% royalty on all mineral commodities sold from the Nose Claims. The Company can purchase 50% of this royalty by making a cash payment of \$1,000,000 at any time.

Lara Property

The Lara Property is made up of a porphyry center known as Lara. It has been delineated with a corridor of hydrothermal alteration extending over several kilometers. Preliminary metallurgical test work, completed in the late 1990's, indicates that the enriched zone of the Lara Property is amenable to low cost solvent extraction and electro-winning processing.

The Company completed diamond drilling totaling 6,500m on the Lara property during its 2012 and 2011 fiscal years. Highlights of the fiscal 2012 and 2011 diamond drilling program can be found within press releases dated February 27, 2012 and February 22, 2011 respectively filed on SEDAR at www.sedar.com.

The Company has designed an in-fill core drilling program of 3,000 meters with the aim of defining an inferred resource. These programs have been put on hold as the Company and its joint venture partner look for strategic funding. There has been no drilling expenditures incurred during the six months ended October 31, 2018.

Exploration cost for the six months ended October 31, 2018 and 2017 are as follows:

	2018		2017	
	Lucky Mica	Lara	Lucky Mica	Lara
	\$	\$	\$	\$
Field work	132,730	8,902	2,000	9,771
Environmental and community	-	28,455	-	-
Geological	9,578	12,261	5,725	-
Mining title permit payments	99,375	-	-	-
Personnel	-	-	-	-
Total	241,683	49,618	7,725	9,771



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QUARTERLY INFORMATION

The following is selected financial data from the Company's unaudited quarterly financial statements for the last eight quarters ending with the most recently completed quarter, being the three months ended October 31, 2018.

	October 31, 2018	July 31, 2018	April 30, 2018	January 31, 2018
Three months ended	(\$)	(\$)	(\$)	(\$)
Revenues	-	-	-	-
Net Loss	(421,453)	(398,779)	(344,794)	(240,950)
Loss per share attributable to shareholders ⁽¹⁾	(0.01)	(0.01)	(0.01)	(0.01)

	October 31, 2017	July 31, 2017	April 30, 2017	January 31, 2017
Three months ended	(\$)	(\$)	(\$)	(\$)
Revenues	-	-	-	-
Net Loss	(88,085)	(71,583)	(279,599)	(90,717)
Loss per share attributable to shareholders ⁽¹⁾	(0.00)	(0.01)	(0.02)	(0.01)

⁽¹⁾ The basic and diluted loss per share calculation results in the same amount due to the anti-dilutive effect of outstanding stock options and warrants.

The net loss for the three months ended July 31, 2018, January 31, 2018 and April 30, 2017 includes \$171,882, \$80,338 and \$53,613 of share-based payments expense as the Company granted stock options. Additionally, during the period ended July 31, 2018 the Company paid property license renewal fees of \$41,765 for the Lucky Mica Claim Group. The loss for the period ended October 31, 2018 is greater due to environmental expenditures at the Lara property and the trenching program completed at the Fortner and Boyd Lithium Property.

The net loss for the three months ended April 30, 2018 and 2017 is greater than other periods as the Company accrued mining concession fees for the Lara Property. Additionally, during the three months ended April 30, 2018 the Company incurred \$41,962 of environmental costs related to the Lara Property.

RESULTS OF OPERATIONS

Six months ended October 31, 2018 and 2017

The loss for the six months ended October 31, 2018 was \$820,232, compared with \$150,693 for the six months ended October 31, 2017. The increase in loss for the period is primarily due to the following:

a) Office and admin \$100,966 (2017 - \$53,060)

Office and admin costs increased during period ended October 31, 2018 due to increased travel for the CEO and Directors related to conferences and site visits.

c) Investor relations \$97,192 (2017 - \$3,625)

Investor relations increased during the period as the Company has been focused on increasing market awareness of the Company's activities through development of its website and corporate presentations.

c) Management salaries and benefits \$75,000 (2017 - \$8,333)

Management salaries and benefits consist of salaries paid to the CEO which resumed during the last fiscal year.

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d) Exploration costs \$291,301 (2017 - \$17,496)

During the six months ended October 31, 2018 the Company paid \$99,375 of license renewal fees related to the Lucky Mica Claim Group and completed a trenching program on the property as well. The Company incurred environmental expenditures at the Lara property of \$28,455.

e) Share-based compensation \$171,882 (2017 - \$nil)

During the six months ended October 31, 2018 the Company granted 1,000,000 (October 31, 2017 – nil) stock options, vesting immediately, to directors, officers and consultants of the Company.

Three months ended October 31, 2018 and 2017

The loss for the three months ended October 31, 2018 was \$421,453, compared with \$88,085 for the three months ended October 31, 2017. The increase in loss for the period is primarily due to the following:

a) Office and admin \$57,444 (2017 - \$29,858)

Office and admin costs increased during year ended October 31, 2018 due to increased travel for the CEO and Directors related to conferences and site visits.

b) Investor relations \$45,960 (2017 - \$550)

Investor relations increased during the year as the Company has been focused on increasing market awareness of the Company's activities through development of its website and corporate presentations.

c) Exploration costs \$229,319 (2017 - \$15,540)

During the three months ended October 31, 2018 the Company incurred \$132,730 in exploration expenses related to the trenching program on the Lucky Mica Claim Group. The Company also incurred mining title renewal fees related to the Lucky Mica Claim Group.

LIQUIDITY AND CAPITAL RESOURCES

As at October 31, 2018 the Company had working capital of \$896,333 compared to \$1,491,346 at April 30, 2018. As at October 31, 2018 the Company had cash of \$887,894 compared with \$1,545,257 as at April 30, 2018. The net decrease in cash of \$657,363 is due to the \$720,362 of cash used in the Company's operating activities. The Company received \$3,072 of cash from the exercise of warrants.

The Company is currently in the exploration stage and depends on the junior resource capital markets to raise funds to carry out its exploration programs. The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary equity financing to develop its mineral property interests, to meet its ongoing corporate overhead requirements and discharge its liabilities as they come due. Currently the Company believes it has enough working capital to discharge its obligations as they come due for the next twelve months.

Capital Expenditures

During the six months ended October 31, 2018 the Company issued 100,000 common shares of the Company, valued at \$21,000, related to the Amended Agreement.

The Company incurred cash mineral property acquisition costs of \$43,717 related to the Fortner and Boyd Lithium Property during the six months ended October 31, 2017.

Financing Activities.

On June 6, 2017 the Company closed a non-brokered private placement pursuant to which it issued 4,766,250 units at \$0.16 per unit for gross proceeds of \$762,600. Each unit consists of one common share of the Company and one-half share purchase warrant, with each whole share purchase warrant entitling the holder to acquire an additional common share at an exercise price of \$0.24, for a period of two years.

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During the six months ended October 31, 2018 the Company received proceeds of \$3,072 pursuant to the exercise of 19,200 warrants.

CONTINGENCIES

The Company has approved a compensation package to the Chief Executive Officer. On the completion of a corporate acquisition or merger, bonuses of up to 500,000 stock options, restricted share unit's equal to 1% of the value of the transaction and cash in the amount equal to 0.25% of the value of the transaction would become payable. As at October 31, 2018 no corporate acquisition or merger has been entered into and therefore no accrual for the compensation package has been recorded.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and accounts payable and accrued liabilities. Cash is measured at amortized cost and accounts payable and accrued liabilities are designated as other financial liabilities which are measured at amortized cost.

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. There have been no changes in any risk management policies since April 30, 2018.

RELATED PARTY TRANSACTIONS

Compensation paid or payable to Directors, the Chief Executive Officer and the Chief Financial Officer, for services provided during the three and six months ended October 31, 2018 and 2017 was as follows:

	Three months ended		Six months ended	
	2018	2017	2018	2017
	\$	\$	\$	\$
Management salaries and benefits	37,500	8,333	75,000	8,333
Business investigation	8,000	-	23,000	-
Consulting fees	2,040	5,920	5,313	12,480
Exploration expenses	-	405	-	405
Share-based payments	-	-	130,630	-
	47,540	14,658	233,943	21,218

Included in accounts payable and accrued liabilities at October 31, 2018 is \$4,520 (April 30, 2018 - \$21,990) due to an officer and director of the Company. The amounts owing are non-interest bearing and due on demand.

CHANGES IN ACCOUNTING STANDARDS

IFRS 9 Financial instruments

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments bringing together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. IFRS 9 also amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in

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OCI, and guidance on financial liabilities and derecognition of financial instruments. The adoption of this standard did not have a material measurement or disclosure impact on the Company's financial statements.

IFRS 16 Leases

This standard replaces IAS17-Leases and requires lessees to account for leases on the statement of financial position by recognizing a right to use asset and lease liability. The mandatory effective date for the Company is for annual period beginning on May 1, 2019. The Company has initially assessed that there will be no material reporting changes as a result of adoption this new standard.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

OUTSTANDING SHARE DATA AND DILUTION CALCULATION

The Company has authorized share capital consisting of common shares without par value and preferred shares issuable in series. The number of shares authorized is unlimited. The Company has issued warrants for the purchase of common shares and stock options. The table below summarizes the number of common shares outstanding and outstanding stock options and share purchase warrants that are convertible into commons shares as at December 21, 2018:

Issued and outstanding common shares	25,719,539
Share options outstanding with a weighted average exercise price of \$0.14	2,571,000
Share purchase warrants outstanding with a weighted average exercise price of \$0.20	10,012,358
Fully Diluted	38,302,897

RISKS AND UNCERTAINTIES

Natural resources exploration, development, production and processing involve a number of business risks, some of which are beyond the Company's control. These can be categorized as operational, financial and regulatory risks.

Operational risks include finding and developing reserves economically, marketing production and services, product deliverability uncertainties, changing governmental law and regulation, First Nations consultation, hiring and retaining skilled employees and contractors and conducting operations in a cost effective and safe manner. The Company continuously monitors and responds to changes in these factors and adheres to all regulations governing its operations. Insurance may be maintained at levels consistent with prudent industry practices to minimize risks, but the Company is not fully insured against all risks, nor are all such risks insurable.

Financial risks include commodity prices and interest rates all of which are beyond the Company's control. Additional financial risks are the Company's ability to raise capital and to repay indebtedness it incurs.

Regulatory risks include the possible delays in getting regulatory approval to the transactions that the Board of Directors believe to be in the best interest of the Company, and include increased fees for filings, the introduction of ever more complex reporting requirements the cost of which the Company must meet in order to maintain its exchange listing.

The Company has no significant source of operating cash flow and no revenues from operations. External financing, primarily through the issuance of common shares is the main source of funding for the Company.



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Although the Company has been successful in raising the necessary funds in the past, there can be no assurance that it will be able to do so in the future.

DISCLOSURE CONTROLS AND PROCEDURES

In connection with National Instrument 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the condensed interim consolidated financial statements for the three and six months ended October 31, 2018 and this accompanying MD&A (together the "Interim Filings").

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. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Filings on SEDAR at www.sedar.com.

FORWARD LOOKING STATEMENTS

Certain statements contained in this document constitute forward-looking statements. Such forward-looking information includes, but is not limited to, statements with respect to the potential of the Company's properties; the future price of copper, gold and other minerals; success of exploration activities; cost and timing of future exploration and development; the estimation of mineral resources; conclusions of economic evaluations; requirements for additional capital and other statements relating to the financial and business prospects of the Company. These forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements, including, but not limited to risks related to: (i) the Company's goal of creating shareholder value by concentrating on the acquisition and development of properties that have the potential to contain economic mineral deposits; (ii) management's outlook regarding future trends; and (iii) government regulation and environmental liability.

The impact of any one risk, uncertainty or factor on a particular forward-looking statement is not determinable with certainty as these factors are interdependent, and management's future course of action would depend on its assessment of all information at that time. Readers are cautioned not to place undue reliance on these forward-looking statements, which are made as of the date hereof and, except as required by law, we undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward looking statements contained herein are expressly qualified by this cautionary statement.

OTHER INFORMATION

Additional information related to the Company is available for viewing on SEDAR at www.sedar.com and at the Company's website at www.redzonerresources.ca