



Managements' Discussion and Analysis

Years ended June 30, 2018 and 2017

1.1 Date of Report: October 29, 2018

This management discussion and analysis (“**MD&A**”) of Stamper Oil & Gas Corp. (the “**Company**” or “**Stamper**”) is for the year ended June 30, 2018 and is performed by management using information available as of October 29, 2018. We have prepared this MD&A with reference to National Instrument 51-102 – Continuous *Disclosure Obligations* of the Canadian Securities Administrators. This MD&A should be read in conjunction with the Company’s audited consolidated financial statements for the year ended June 30, 2018, and the related notes thereto (“**Annual Financial Statements**”). The Company’s consolidated Annual Financial Statements are prepared in accordance with International Financial Reporting Standards (“**IFRS**”). All amounts are expressed in Canadian dollars unless otherwise indicated.

This MD&A contains certain “forward-looking statements” and certain “forward-looking information” as defined under applicable Canadian securities laws that may not be based on historical fact, including, without limitation, statements containing the words “believe”, “may”, “plan”, “will”, “estimate”, “continue”, “anticipate”, “intend”, “expect” and similar expressions. Forward-looking statements are necessarily based on estimates and assumptions made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as the factors we believe are appropriate. Forward-looking statements in this MD&A include but are not limited to statements relating to:

- *our ability to obtain funding for our operations, including funding for oil exploration and development activities;*
- *the initiation, timing, cost, progress and success of our oil exploration and development activities;*
- *our business model and strategic plans;*
- *our ability to advance oil exploration properties;*
- *our ability to deliver any oil and gas production achieved commercially;*
- *our ability to achieve profitability;*
- *the implementation of our business model and strategic plans;*
- *our ability to ensure that the environmental risks are minimized;*
- *our expectations regarding market risk, including interest rate changes and foreign currency fluctuations;*
- *our ability to engage and retain the employees required to grow our business;*
- *the compensation that is expected to be paid to employees and consultants of the Company;*
- *our future financial performance and projected expenditures; and*
- *estimates of our expenses, capital requirements and our needs for additional financing.*

Such statements reflect our current views with respect to future events and are subject to risks and uncertainties and are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Stamper, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause our actual results, performance or achievements to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements. In making the forward-looking statements included in this MD&A, the Company has made various material assumptions, including, but not limited to: (i) obtaining positive results of form exploratory drilling; (ii) obtaining regulatory approvals; (iii) general business and economic conditions; (iv) the availability of financing on reasonable terms; (v) the Company’s ability to attract and retain skilled staff; (vi) market competition; and (vii) the products and technology offered by the Company’s competitors

In evaluating forward-looking statements, current and prospective shareholders should specifically consider various factors, including the risks outlined below under the heading “Financial Instruments and Risks”. Should one or more of these risks or uncertainties, or a risk that is not currently known to us materialize, or should assumptions underlying those forward-looking statements prove incorrect, actual results may vary materially from those described herein. These forward-looking statements are made as of the date of this MD&A and we do not intend, and do not assume any obligation, to update these forward-looking statements, except as required by applicable securities laws. Investors are cautioned that forward-looking statements are not guarantees of future performance and are inherently uncertain. Accordingly, investors are cautioned not to put undue reliance on forward-looking statements.

The above referred financial statements and the Company's other public filings can be found on SEDAR at (www.sedar.com).

1.2 Overall Performance

Nature of Business and Overall Performance

Stamper Oil & Gas Corp. ("Stamper" and "the Company") is a Vancouver based Canadian Public Company trading at TSX Venture Exchange under the symbol "STMP". The Company's primary focus is on international oil and gas; late stage exploration and development/production projects and secondarily on mineral resources. Stamper is currently evaluating international oil and gas exploration and development opportunities.

During fiscal 2017, the Company changed its name from Panorama Petroleum Inc. to Stamper Oil & Gas Corp. Along with the name change, the Company also consolidated its issued Common Shares on the basis of five and a half (5.5) pre-consolidation Common Shares to one post consolidated share.

Management is responsible for the preparation and integrity of the Financial Statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible to ensure that information disclosed externally, including the Financial Statements and MD&A, is complete and reliable. Management has evaluated the effectiveness of the Company's disclosure controls and procedures and has concluded that they are operating effectively.

FORWARD LOOKING STATEMENTS

Information contained in this report is forward looking except for those statements of fact relating to the Company's information. Forward looking statements are based on opinions, plans and estimates of management and are subject to a variety of risk, uncertainties and other factors that could cause the actual results to differ materially from those projected by such statements. The primary risk factors affecting the Company are discussed in the heading "RISK FACTORS" below.

These factors are not intended to represent a complete list of the general or specific factors that could affect the Company. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates, plans or opinions should change. The reader is cautioned not to place undue reliance on forward-looking statements.

HIGHLIGHTS

Stamper has for the past year, taken steps to attempt to build a portfolio of oil assets for Stamper. The Company has successfully raised capital to support the investigation of various oil and gas opportunities, including those in Sudan.

Block 25, Sudan

The Company entered into a Memorandum of Understanding with State Oil Corporation ("State") on August 18, 2017 (the "State MOU"). Under the terms of the MOU the Company has the rights to acquire 100% of the issued and outstanding shares of State for 25,000,000 shares of the Company subject to regulatory approval. State has entered into a Memorandum of Understanding for Cooperation between Sudapet Company Ltd. ("Sudapet") as of July 27, 2017 (the "Sudan MOU").

By acquiring State, the Company would undertake the obligations of the Sudan MOU. Under the terms of the State MOU, the Company has the ability to acquire 50% or more of Block 25 through a separate Farm-In Agreement (Block 25 is a 26,000 square kilometer oil and gas concession under which Sudapet holds a Production Sharing Agreement with the Government of Sudan (the "PSA")). In order to earn 50% of Sudapet's current 70% interest in the Block 25 Exploration Production Sharing Agreement (the "EPSA") (35% interest in the PSA), under the terms of the Farm-In Agreement, State would have to:

1. Provide proof of US\$140 million fund certificate issued from its bank to fund the remaining current work program (these estimates may vary):
 - a. Exploration USD\$22.25 millions.
 - b. Development USD\$13.03 Millions.
2. In recognition of the value addition to Block 25 by Sudapet the following payments must be made to Sudapet by State subject to the right of audit by State of the expenditure amounts incurred by Sudapet:
 - a. Within 15 days of signing the farm-in agreement State shall pay USD\$40,144,300 equal to its 35% share. This amount will be calculated from the total past cost of Sudapet from inception of the Block 25 EPSA.
 - b. Within 90 days of joining date of EPSA, State shall pay Sudapet a second payment equal to USD\$750,000 per one percent (1%) of State's farm-in equity interest of 35% or USD\$23,250,000.

On January 27, 2018, the term of this Sudan MOU was extended to April 30, 2018, at which time it expired. The Company has expended \$411,728 investigating the State MOU to June 30, 2018. Despite attempts by State to extend the Sudan MOU, the Company was finally advised by State that it was unlikely that the Sudan MOU would be extended. On July 23, 2018 the Company announced the cancellation of the State MOU.

Block 25 Activities

The Block 25 Project in Sudan has had previous work done as follows; including completion of 6,700 km of 2D seismic and 432 sq. km of 3D seismic and subsequently have also indicated a number of new potential locations for drilling. The project area for exploration and production comprises 26,000 sq. km where the previous operator successfully drilled 3 discovery wells and 7 development wells. A third party analysis report indicates, "based on the TOC/Rock Evaluation data at disposal, excellent oil prone lacustrine source rocks (Type I) were penetrated in the two discovery wells located in the Central Sub-basin. In the Eastern Sub-basin, a source rock was encountered near TD in the lower oil prone formation, Campanian in age".

Chapman Technical Report

On March 31, 2018, Chapman Petroleum Engineering Ltd. ("Chapman") prepared a technical report in accordance with National Instrument 51-101 – Standards for Disclosure for Oil and Gas Activities ("NI 51-101") standards and protocols. This report as prepared for the Company as part of the contract conditions to the pending transaction in Sudan. The report is available to review on [SEDAR](#). Chapman used the previous data and work completed by previous operators including data collected from a 6,700 km of 2D seismic and 432 sq. km of 3D seismic. The project area for exploration and production comprises 26,000 sq. km where the previous operator successfully drilled 3 discovery wells and 7 development wells.

Barit-Hunkui Copper/Gold Project, Pakistan

Until December 2016, the Company held one exploration and evaluation asset, the Barit-Hunkui Concession located in Pakistan. The Company has recorded an investment of \$787,263 in this concession since June 30, 2013. Title to exploration and evaluation assets involves certain inherent risks due to the difficulty of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristic of many natural resource properties. The Company is not proceeding with this project, and previously capitalized expenditures are being expensed.

Advisory and Technical Board Members

- In August 2017, the Company appointed Dr. Qamar M. Malik MSc, Ph.D. as the Company's new Qualified Person ("QP"). Dr. Malik is an experienced petroleum professional with a multi-faceted skillset

wearing many hats over the span of 20 plus years in the petroleum industry, seeking to make a positive lasting, distinctive, and sizable impact to client performance, as well as seeking to help achieve organizations' strategic goals. Dr. Malik has subsequently resigned.

- In October 2017, the Company announced the addition of Mr. Eric Schjelderup. Mr. Schjelderup resides in London, England, and has over 30 years of expertise, specializing in consultation with public companies, including strategy, structuring, financings, regulatory requirements, private placements, raising seed capital and general public relations. He is currently the president of Port Mercantile Capital Ltd. and in his career, Eric has raised over \$965 million for banking, technology, and oil & gas companies on three continents.
- In January 2018, Mr. George Fulford, P.Eng joined the company's Technical Advisory Board. Mr. Fulford resides in Calgary, Alberta and has over 40 years' experience as a professional geologist and geophysicist. Mr. Fulford worked in Sudan from 1994 to 2003 and he served as a Geophysicist with Arakis Energy Corporation where he was responsible for evaluating prospects including 77 successful site selections in Sudan. Mr. Fulford continued in this role managing their seismic crews, through the acquisition by Talisman Energy in 1996 until its sale to the National India Oil Company in 2003. Since 2003 Mr. Fulford has evaluated prospects in numerous countries including Africa, South America and South-East Asia. From 2005 to 2011 he worked for Petrominerales Ltd. as part of its Castor prospect team in Columbia. Mr. Fulford holds a Bachelor of Applied Science degree from the University of British Columbia and is a Registered Professional Engineer. Mr. Fulford has subsequently resigned.
- On March 27, 2018, Mr. Omair Choudhry resigned as the Company's Chief Financial Officer. Mr. David Alexander replaced Mr. Choudhry at that time. Mr. Alexander is a CPA-CA with 30 years of public company experience, including several years as an oil and gas executive as CFO of Arakis Energy Corporation from 1990 to 1994. Mr. Alexander currently works as a consultant for several public company and currently serves as CFO on the Board of Veritas Pharma Inc., Blok Technologies Inc., and Le Mare Gold Corp.

Frankfurt Listing

In April 2017, the Company announced that it has been accepted to list its common shares for trading on the Frankfurt Stock Exchange (FSE) under the Symbol "TMP2".

New US Symbol

In August 2018, the Company announced that it has received approval from Financial Industry Regulatory Authority, ("FINRA") on a new ticker symbol "STMGF." The symbol change coincides with the Company's ongoing efforts to support its existing U.S. shareholder base, and to facilitate trading in the OTC markets.

Board Members

- In April 2017, the Company appointed Sasko Despotovski as one of the Company's Directors. Mr. Despotovski is a seasoned investment banker and an active investor in both private and public companies. He is a Canadian national living in Oslo, Norway, with international corporate finance experience in the energy, real estate, and technology sectors. Sasko has held posts within several funds and hedge funds in the investment banking capacity in USA and Canadian markets, as well as on the operational side as management and as a director for a number of companies. Sasko until recently was an M&A Director at one of the Big Four Accounting and Consulting firms, and currently serves a Special Advisor to the firm, focusing on cross border transactions. His specialties are fundraising and fund dissemination. Sasko holds advisory board seats at Smart Plants AS, Excitus AS, Memobase AS and Teaja Inc. and is a board member of Vidom AS and Stamper Oil & Gas Corp. In 2006 he was inducted into the Golden Key Society of Canada as an honorary member. Sasko's peer reviewed manuscripts can be found in various medical and science journals; he was historically an editor and editor-in-chief of JEM. Sasko is a University of British Columbia (Jack Bell Research Centre) and

University of the Fraser Valley science graduate and has held various alumni posts within both institutions.

- In November 2017, the Company announced the appointment of Mr. Alexander Polevoy to the Board of Directors. Mr. Polevoy worked for Renova Management AG of Zurich (2010-11) as a business development consultant on behalf of United Manganese of Kalahari. He was the representative a major Russian private investment group, Interros, as CFO, and Member of the Board of Directors of subsidiary Norilsk Nickel Mining Company, managing over \$6 billion USD in debt and over \$25 billion USD in assets. He created financial reporting framework for the group and the ability to produce audited financial statements, managed M&A transactions and was involved in communication with the banking and investment community. Mr. Polevoy was previously CFO, Member of the Board, and the Audit Committee for Integra Group GDR, a leading FSU oilfield service and oilfield equipment manufacturing company. He managed the IPO of the firm in 2007 and raised \$750 million USD with over 14 acquisitions during a two year period. From 2005 to 2006, Mr. Polevoy was CFO, Member of the Board, and the Audit Committee for NYSE listed company, Mechel Group, a Russian based industrial group, managing international assets in mining, metallurgical production and trade, energy, and logistics. He was responsible for financial activity of one of the largest Russian mining and metallurgical production companies and for financial reporting of the group in accordance with requirements of the NYSE. Also during this period, he was a Director, Corporate Audit for TNK-BP Group, 3rd largest oil producer in Russia, supporting and advising Audit Committee and executive management in sound risk management system. Mr. Polevoy was formerly Head of Monitoring and Control Group, Audit Committee of the Board of Directors for TNK Group, Moscow, Russia. Mr. Polevoy was involved in the restructuring of the company, developing strategic incentives to improve efficiency and value, while overseeing financial reporting and performance management systems specifically in the upstream sector. In early 2000's, Mr. Polevoy was Director, Corporate Procedures and Development of Yukos Group, Moscow, Russia, involved with preparing and implementing corporate strategy for improvement of financial structure over next 5 years, and setting up JOA, PSA negotiations, and tax planning. During this time, Mr. Polevoy held several positions at Yukos Group of companies including as Vice-President Finance, Deputy Chairman of the Board, and Member of the Board of Directors. He was involved in many aspects of the group providing leadership in a program of westernizing its financial system, developing the financial control strategy through the company, restructuring the head office and regional financial departments (over 2500 employees in finance) to fit new functions. From 1994 to 1999, Mr. Polevoy was employed in the oil and gas, mining and manufacturing in Canada and the United States including as a Director, CFO and Accounting Manager for several firms including ZCL Composites Inc., Gold Tail Inc., Kazakhstan Goldfields Inc., and Geotex of Houston TX. Mr. Polevoy is a Member of the Institute of Internal Auditors, New York. He graduated from Northern Alberta Institute of Technology with a degree in Finance and Accounting and McGill University with a degree in Advanced Financial Accounting and Management Financial Accounting. Mr. Polevoy has also been appointed to the Corporation's Audit Committee.
- On December 2017, the Company appointed Herb Dhaliwal to the Board of Directors of the Company. The Hon. Herb Dhaliwal served in Ottawa as a Canadian Member of Parliament for over ten years. He served as minister in several portfolios in the Federal Cabinet under Prime Minister Jean Chretien including Minister of Natural Resources, Minister of National Revenue and Minister of Fisheries and Oceans. In his role as Minister of Natural Resources, he actively sought responsible economic development of Canada's vast natural resources and was an authoritative policy maker on decisions relating to the mining and energy, including oil and gas, industries. In addition to a wealth of experience related to the natural resource sector, Mr. Dhaliwal has tremendous business acumen. Prior to his entrance to national politics he founded a maintenance company that has grown under his leadership from one employee to over 500. He has also served as Vice-Chair of the B.C. Hydro and Power Authority board of directors, with responsibility for oversight of the Budget and Audit Committees. The Vancouver Sun has recognized Mr. Dhaliwal as one of the top 100 influential British Columbians of the 20th century. He graduated from the University of British Columbia with a Bachelor of Commerce degree. On June 5, 2018, the Company announced Mr. Dhaliwal resignation from the Board.

- On April 30, 2018, the Company announced the resignation of Lutfur Khan as Chairman of the Board and from the Board of Directors of Stamper.
- On May 10, 2018, the Company announced the resignation of Dr. Waseem Rahman from the Board of Directors of Stamper.

1.3 Results of Operations

The Company does not have revenues from operations and relies on debt or equity funding for its continuing financial liquidity. Current market conditions are not favorable to raising capital. The company had a loss of \$4,689,980 in the year period ended June 30, 2018 as compared to a loss of \$1,392,076 during the same period a year ago. The significant increase in loss is due to an overall increase in activity of the Company compared to the prior year period.

1. The write down of the Company's Pakistan property of \$787,263 was due to the fact that the mining option had expired. The asset being written off was the Barit-Hunkui Copper/Gold Project in Pakistan concession.
2. The increased Promotional expenses of \$2,226,579 compared to \$21,695 the same period a year ago was due to increased investor awareness activity. These amounts include share issuances of \$820,000 and cash payments for the remaining \$1,406,579. The increased promotional expenses were made to increase investor awareness and market exposure of the Block 25 Sudan Oil Prospect, in both Europe and North America. This exposure was expected to help facilitate interest in providing the requisite major funding of approximately \$140 million for required for its Block 25 Sudan Oil Prospect. The expense also includes meetings with investors, advertising, and news release costs.
3. Consulting fees increased to \$529,500 up from \$92,000 the previous year. The increased consulting fees were made to increase travel to the Sudan and Europe with consultants to assist in the area of business development, finance, and strategies.
4. New project investigations increased to \$411,728 up from \$1,200 the same period a year ago. Until recently, the Company was reviewing two international projects. This caused a significant increase in the management and consulting activities and expenses.
5. Audit & Legal expenses were slightly increased over last year, that being \$31,330 in the current year compared to \$21,818 in the same period a year ago.
6. Office expenses increased to \$13,200 in the year ended June 30, 2018, up from \$8,339 in the prior year period due to an increase in office activities.
7. Rent expense was reduced to \$39,431 from \$96,575 during the same period last year due to change of offices.
8. Interest costs totaled \$11,986 during the current period as compared to \$315,937 in the same period a year ago. The significant decrease was due to the execution of a Shares-for-Debt Agreement with Maverick Petroleum Ltd. and Larnite Corporation (Pvt.) Ltd (creditors) for settlement of \$5,300,000 of debt through the issuance of 19,272,727 common shares at \$0.275 per common share 106,000,000 common shares at \$0.05 pre split shares). This transaction occurred in the third quarter of the previous fiscal year.

1.4 Summary of Quarterly Results:

Summary of Quarterly Results:

	4th Quarter ended June 30, 2018	3rd Quarter ended Mar 31, 2018	2nd Quarter ended Dec 31, 2017	1st Quarter ended Sept 30, 2017
Total Revenue	\$ -	\$ -	\$ -	\$ -
Loss	(2,149,918)	(1,213,686)	(1,162,260)	(164,116)
Basic and diluted loss per share	.06	.04	.04	.01
Average US/Cdn\$ exchange rate	1.2911	1.2651	1.2775	1.2887

	4th Quarter ended June 30, 2017	3rd Quarter ended Mar 31, 2017	2nd Quarter ended Dec 31, 2016	1st Quarter ended Sept 30, 2016
Total Revenue	\$ -	\$ -	\$ -	\$ -
Loss	(819,955)	(119,504)	(245,703)	(206,914)
Basic and diluted loss per share	0.03	0.00	0.01	0.01
Average US/Cdn\$ exchange rate	1.3447	1.3229	1.334	1.3049

In the quarter ended June 30, 2018, there was no revenue and the loss for the quarter was \$2,149,918 as compared to loss of \$819,955 in the same quarter of fiscal 2017. The significant increase was due mainly to the promotional expenses during the quarter of \$1,488,277.

Natural Resource Properties

As the Company entered into an MOU with State on August 18, 2017, and under the terms of the MOU, the Company had the rights to acquire 100% of the issued and outstanding shares of State for 25,000,000 shares of the Company subject to regulatory approval (State entered into a MOU with Sudapet on July 27, 2017).

By acquiring State, the Company would undertake the obligations of the Sudan MOU. Under the terms of the State MOU, the Company had the ability to acquire 50% or more of Block 25 through a separate Farm-In agreement (Block 25 is a 26,000 square kilometre oil and gas concession under which Sudapet holds a PSA with the Government of Sudan) by paying within 15 days of entering into a definitive agreement US\$40,144,300 and a further US\$23,250,000 within 90 days of entering into a definitive agreement.

During the year the Company obtained the drilling and production data on Block 25 from Sudapet, retained Chapman Engineering in Calgary to write a NI51-101 report, and retained oil and gas expertise in Calgary and in Khartoum spending \$411,728.

Previously the Company had held one exploration and evaluation asset, that being the Barit-Hunkui Concession located in Pakistan. This prospect as of June 30, 2018 with an asset value of \$nil (June 30, 2017 - \$787,264).

1.5 Liquidity

As at June 30, 2018, the Company has \$ 18,678 cash compared to \$9,603 as at June 30, 2017. The Company has working capital (deficiency) of negative \$782,185 compared to \$499,054 as at June 30, 2017.

For the year period ended June 30, 2018, the net cash flow from operations was negative \$2,333,320 compared to negative \$333,942 in the prior year period. Negative cash flows are likely to continue until the Company is able to secure and start producing a project.

During the year period ended June 30, 2018, the Company closed two private placements for a total of 4,587,500 units at a price of \$0.40 per unit for gross proceeds of \$1,835,000. Each unit consisted of one common share and one share purchase warrant, each warrant entitling the holder to purchase one common share of the Company: 1,587,500 at a price of \$0.75 per share and 3,000,000 at a price of \$0.50 per share. All the units have a four-month hold period from the date of issuance.

For the two private placements the Company paid a cash share issuance costs \$92,435; in addition to cash fees, 183,000 finders warrants were issued, having an exercise price of \$0.40 per share and varying expiry dates.

The following table summarizes the warrant activity for the current fiscal year. The Company had no warrant activity in the previous two fiscal years.

	Weighted Average Exercise Price	Expiry Date	Number of warrants
Outstanding June 30, 2017			-
Issued	\$ 0.75	July 11, 2019	625,000
Issued	\$ 0.75	Nov. 19, 2019	962,500
Issued	\$ 0.50	Dec. 4, 2020	3,000,000
Issued	\$ 0.40	Jan. 9, 2019	45,000
Issued	\$ 0.40	May 9, 2019	77,000
Issued	\$ 0.40	June 4, 2019	61,000
Outstanding and exercisable June 30, 2018			4,770,500

In the year ended June 30, 2018, \$nil was acquired through demand loans from companies with a common director as compared to \$180,000 in the prior year period.

In fiscal 2017, the Company closed a non-brokered private placement of 1,818,182 common shares at \$0.11 per share for gross proceeds of \$200,000. The Company entered into a pre-consolidation Shares-for-Debt Agreement with Maverick Petroleum Ltd. (a creditor) for settlement of \$4,900,000 of debt through the issuance of 98,000,000 common shares at \$0.05 per common share (equivalent to 17,818,182 common shares at \$0.275 per share after consolidation), the Company also settled a debt of \$400,000 with Larnite Corporation (Pvt.) Ltd. (a creditor) through the issuance of 8,000,000 common shares at \$0.05 per share (equivalent to 1,454,545 shares at \$0.275 after consolidation). The Company received TSX Venture Exchange approval for this shares-for-debt conversion.

During fiscal 2018, a total of 2,250,000 stock options at \$0.55; 500,000 stock options at \$0.50; 500,000 stock options at \$0.29; and 900,000 stock options at \$0.21 were approved by the Directors. These options have a one-year expiry from the issue date. 300,000 of these options were exercised at \$0.50; 500,000 stock options at \$0.29; and 900,000 at \$0.21. Of the 2,211,364 stock options outstanding as of June 30, 2017, 200,000 were exercised at \$0.66. The remaining 2,011,364 expired on April 9, 2018.

Risk Factors

The Company will be required to raise further funds for working capital purposes and for capital requirements. There was no certainty that the Company would have been able to secure financing for Block 25 in Sudan US\$110

million. There is no certainty that if the Company is able to secure a future potential oil and gas asset, that it would be able to raise the requisite financing. Even if the results of further exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to further develop the discovery on the property and may not realize a return on its investment. Failure to obtain such additional capital could have a material adverse effect on the project.

The price of the commodities being explored is also a significant risk factor, as substantial decline in their price could result in a decision to abandon a specific project.

Environmental laws and regulation could also impact the viability of a project. The Company has ensured that it has complied with these regulations, but there can be changed in legislation outside the Company's control that could also add a risk factor to a project.

Finally, operating in a specific country has legal, political and currency risk that must be carefully considered to ensure their level is commensurate to the Company's assessment of the project.

1.6 Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

1.7 Transactions with Related Party Transactions

During the first year of fiscal 2018, significant related party transactions and balances not disclosed elsewhere are as follows:

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Management Fees - CEO	\$ 120,000	\$ 30,000
Management Fees - Previous CFO	190,000	60,000
Management fees - Current CFO	120,000	-
Fees to Director	-	2,000
Share based compensation	136,799	130,290
Interest expense on loans payable to director and officer	5,796	315,937
	<u>\$ 572,595</u>	<u>\$ 538,227</u>

1.8 Changes in Accounting Policies

Accounting standards issued but not yet applied

The following new standard and interpretation is not yet effective and has not been applied in preparing this financial statement. The Company is currently evaluating the potential impacts of this new standard and does not anticipate any material change to the financial statements upon adoption of this new and revised accounting pronouncement.

- (i) IFRS 9, Financial Instruments
- (ii) IFRS 2, Share-based Payment

The Company has not early adopted these new and revised standards and is currently assessing the impact that these standards will have on its consolidated financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

1.9 Financial Instruments and Other Instruments

Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 Inputs that are not based on observable market data

	Fair Value Measurements Using			Balance, June 30, 2018
	Quoted prices in active markets for instruments (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	\$	\$	\$	\$
Cash and cash equivalents	18,678	–	–	18,678

The fair value of other financial instruments, which included accounts receivable, accounts payable and accrued liabilities, and loans payable approximate their carrying values due to the relatively short-term maturity of these instruments.

The Company's financial instruments are exposed to the following risks:

Credit risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and cash equivalents, and amounts receivable. The Company limits its exposure to credit loss by placing its cash and cash equivalents with high credit quality financial institutions. Amounts receivable consists of GST receivable due from the Government of Canada. The carrying amount of financial assets represents the maximum credit exposure.

Foreign Exchange Rate Risk

Foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value as a result of movements in foreign exchange rates. Foreign exchange risk arises from purchase transactions.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company manages its interest rate risk by maximizing the interest earned on excess funds while maintaining the liquidity necessary to fund daily operations. Fluctuations in market interest rates do not have a significant impact on the Company's results of operations due to the short term to maturity of the investments held.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising debt or equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

Financial Risk Factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of potential loss to the Company if the counter-party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

a) Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash balances. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at June 30, 2018, the Company did not have any investments in investment-grade short-term deposit certificates.

b) Foreign currency risk

The Company's foreign exchange risk arises from transactions denominated in other currencies, primarily through the Company's subsidiaries located in Pakistan. Through this the Company is exposed to foreign currency risk on fluctuations related to cash, accounts payable and accrued liabilities that are denominated in Pakistan Rupees.

Fluctuations in the foreign currencies will, consequently, have an impact upon the Company's profitability. The Company does not use derivative instruments to reduce its exposure to foreign currency risk nor has it entered into foreign exchange contracts to hedge against gains or losses from foreign exchange fluctuations.

c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of commodities, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

1.10 Other MD&A Requirements

Disclosure of Outstanding Share Data

i) Authorized:

Unlimited common shares without par value

ii) Common Shares Issued:

As at October 29, 2018, 34,599,022 common shares were issued and outstanding

iii) Stock Options Outstanding: Balance as of October 29, 2018 – 2,450,000.

iv) Share Purchase Warrants Outstanding: Balance as of October 29, 2018 – 4,770,500 warrants outstanding.

1.11 Subsequent Events

On July 23, 2018, the company announced the cancellation of the Memorandum of Understanding between State Oil Corporation and Stamper.

The Company has entered into shares-for-debt agreements with several lenders and service providers, representing elimination of a total debt of \$452,000 in exchange for 9,040,000 common shares of the Company. The Company is currently awaiting approval from the TSX-Venture Exchange.

OTHER INFORMATION

List of Directors and Officers:

Directors

David Greenway
Mahmood Arshad
John Ryan
Sasko Despotovski
Alexander Polevoy

Officers

David Greenway, President & CEO
David Alexander, CFO

Auditors

Davidson & Company LLP

Company Solicitors

Richards Buell & Sutton LLP

Company Banker

Bank of Montreal