

WALKER RIVER RESOURCES CORP.

Management Discussion and Analysis

For the three and nine months ended August 31, 2018

This Management Discussion and Analysis (“MD&A”), prepared October 30, 2018 should be read in conjunction with the consolidated financial statements and notes for the three and nine months ended August 31, 2018 which were prepared in accordance with International Financial Reporting Standards.

This management discussion and analysis may contain forward-looking statements in respect of various matters including upcoming events. The results or events predicted in these forward-looking statements may differ materially from the actual results or events. The Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

DESCRIPTION OF BUSINESS

Walker River Resources Corp. (“the Company”) was incorporated pursuant to the British Columbia Business Corporations Act on December 16, 2010 as Rhino Exploration Inc. On March 4, 2013 the Company changed its name to Walker River Resources Corp. The principal business of the Company is the identification, evaluation and acquisition of mineral properties, as well as exploration of mineral properties once acquired. The Company’s shares are listed for trading on the TSX Venture Exchange under the symbol WRR.

The Company is an exploration stage company and is in the process of exploring its interest in the Lapon Canyon Gold Project (Nevada, USA) (“Lapon Project”). At August 31, 2018, the Company had not yet determined whether its Lapon Project contain ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and future profitable production from the properties or realizing proceeds from their disposition.

In March of 2017 the Company incorporated a subsidiary, Walker River Resources LLC, a Nevada company. The Company holds 100% of the issued and outstanding shares of the subsidiary.

EXPLORATION PROJECT

Total costs incurred on exploration and evaluation assets are summarized as follows:

	August 31, 2018	November 30, 2017
Acquisition costs:		
Balance, beginning of year	\$ 3,639,012	\$ 465,596
Shares based acquisition costs	–	2,860,195
Cash paid for acquisition costs	115,446	313,221
Balance, end of period	3,754,459	3,639,012
Deferred exploration expenditures:		
Balance, beginning of the year	755,207	290,728
Geologist fees and assays	170,110	458,879
Equipment depreciation	5,372	5,600
Balance, end of period	930,688	755,207
Total costs, end of period	\$ 4,685,147	\$ 4,394,219

Lapon Canyon Gold Project, Nevada

On February 1, 2014, the Company entered into a release agreement with District Gold Inc. (“District”) and World Ventures Inc. (“WVI”) to acquire 100% of the Lapon Canyon Gold Project (“Lapon Project”) directly from Donald Potts (“Potts”)., In consideration, the Company issue a total of 300,000 common shares and paid \$200,000 to District and WVI. The Company will also pay District and WVI a royalty on revenues received from the Lapon Project equal to 1% of Net Smelter Returns (“NSR”). The Company has an option to buy the NSR for \$300,000.

On March 1, 2014 the Company signed a Lease Agreement with the Estate of Donald Potts (“the Potts estate”), Terms of the agreement were that the Company would pay the Potts estate \$13,500 US per three month period as a lease payment for three years and issue 200,000 shares per year for a total of 800,000 shares.

On June 1, 2017, the Company paid a final \$217,000 US (\$292,950 CDN) to buyout the lease agreement from the Potts estate. The Potts estate will retain a .5% NSR on the Lapon Project.

On April 10, 2017 the Company issued the final payment of 200,000 shares.

The Company has now purchased 100% of the lease of the Lapon Project from the Potts estate.

On September 16, 2015, the Company entered into Exploration and Option Agreement to form a joint venture on the Lapon Project with Nevada Canyon Gold Corp (“Nevada Canyon”). Nevada Canyon had an option to acquire an initial 25% of the Lapon Project for US\$250,000 of exploration expenditures within 1 year and an option to acquire a further 25% for an additional US US\$250,000 of exploration within 2 years. On October 15, 2016, Nevada Canyon completed the required expenditure of \$250,000 and acquired a 25% interest in the Lapon Project.

As at June 30, 2017, Nevada Canyon had completed a further \$50,000 in eligible exploration expenditures and their interest in the Property increased to 30%.

On July 5, 2017, the Company agreed to purchase Nevada Canyon's 30% interest in the Lapon Project in exchange for 9,100,000 shares of the Company with a fair value of \$1,228,500 and issued 11,900,000 warrants. Each warrant is exercisable for a period of five years without further consideration into one common share of the Company. The terms of the warrants contain a provision that Nevada Canyon cannot exercise any warrants which would result in it owning 10% of the Company. The warrants were valued at \$1,605,695.

Additionally, the Company has staked an additional 60 claims and renewed its original 36 claims for a total of \$20,271 in fees. The property now consists of 96 claims.

2015 Exploration Program

Exploration work began in April 2015 and significant exploration progress was made in 2015. Within the upper Lapon Rose zone, gold mineralization in the form of Visible Gold was noted in two different locations within the upper adit.

Samples within this adit were taken for rock identification purposes. The intense alteration and shearing makes on site identification difficult. The samples were cut and studied using a microscope confirming that the in situ rock is Porphyry, in all probabilities, a quart monzonite intrusive. Copper mineralization, in the form of malachite and chalcopyrite has also been discovered within the Lapon Rose zone.

A newly discovered shear/altered zone was discovered some 600 meters east of the Lapon Rose. Evidence of mining activities within this previously unknown zone were discovered with evidence of a collapsed mine portal.

Finally, another shear zone, some 1000 meters west of the Lapon Rose zone, shows intense iron oxide mineralization and silicification, with the presence of a previously unknown adit into the center of this During the end of 2015, the Company completed an initial 5-hole reverse circulation (“RC”) drill program totalling 760 metres on the Lapon Project. The drill program was designed to test and confirm mineralization in an around the historical workings and mining on the Lapon Project.

The initial drill results confirmed the potential for the emplacement of significant gold mineralization on the Lapon Project.

2016 Exploration Program

During 2016, the Company completed a 9-hole reverse circulation (“RC”) drill program totalling 1040 metres on the Lapon Project. The drill program was designed to build on the success of the initial 2015 drill program continuing to test and confirm mineralization in an around the historical workings and mining on the Lapon Project.

RC drill hole LC 16-10 was designed to verify the position of previously reported, presently inaccessible mined out area. The drill hole successfully intersected the mined-out stope at the reported location and verified the width at some 8 meters at a depth of 68 meters. It is significant that the gold mineralization encountered in LC 16-10 was encountered from 54.9 to 67.1 meters, only 0.8 meters from the stope.

These additional drill results from the 2016 drill program continue to confirm the potential for the emplacement of significant gold mineralization on the Lapon Project.

2017 Exploration Program

During 2017 the Company’s geologists completed a thorough review and detailed compilation of the 2015 and 2016 drill programs. About 6,000 metres of drilling has been outlined and planned for the 2017 drill program. On October 4, 2017 the Company released preliminary results from the 2017 drill program. RC drill hole LC 17-13 and LC 17-14 both returned significant results, which continue to confirm the potential for the emplacement of gold mineralization on the Lapon Project.

Additionally, the Company increased its landholdings at the Lapon Project by acquiring through staking, an additional 60 claims covering the strike and dip extensions of the altered and mineralized zones discovered by geological mapping conducted by the company's geologists, and confirmed by the 2015 and 2016 drill programs. The Lapon Project now consists of 96 claims (1,940 acres).

2018 Exploration Program

During the first nine months of 2018, the Company retained Fladgate Exploration Consulting Corp. of Thunder Bay, Ont., a full-service mineral exploration consulting firm. Fladgate will be responsible for the management and supervision of the exploration programs at the Lapon Canyon project. Fladgate will initially complete the formation, interpretation and compilation of the Lapon project's digital database. Fladgate's initial interpretations of the Lapon digital database will greatly enhance the planning and design of Walker's upcoming 2018 drill program. The Company and Fladgate are also planning a regional geological survey on all of the properties within the Lapon project. These surveys will greatly aid in the acceleration of drilling, geological mapping and understanding of the gold mineralization at Lapon and all of the Company’s other properties.

Garfield Flats Project, Nevada

On July 11, 2018, the Company acquired an Exploration Lease with Option to Purchase Agreement (“Option”) from Nevada Canyon Gold Corp. on the Garfield Flats Project, located in Mineral County, Nevada about 18 miles southeast of the town of Hawthorne, NV.

The Option gives the Company the exclusive purchase option and right to acquire 100% ownership of the Garfield Flats Project. Consideration for the acquisition of the Option is a cash payment of USD \$55,000.

The Garfield Flats Project consists of 156 unpatented mining claims (3,120 acres) that cover several past producing small scale high grade gold and copper mines, altered and mineralized zones discovered by previous geological compilations and mapping of the historical workings. Historical sampling on the project has revealed the presence of copper, bismuth, and antimony as well as pervasive lower grade gold mineralization, cut by vein structures (some previously mined) of higher grade gold. Previous induced polarization surveys also denoted the presence of significant coincident I.P. anomalies.

The Garfield Flats Project is within the Walker Lane shear zone, a 60-mile-wide structural corridor extending in a southeast direction from Reno, Nevada, located 18 miles southeast of Hawthorne, NV along U.S. Highway 95. The project has excellent year-round access and infrastructure.

The term of the Option commenced on June 7, 2017 and continues for ten years, subject to the right to extend the Agreement for two additional terms of ten years each, and subject to an option to purchase the Property. Full consideration of the agreement consists of the following:

- \$15,000 US (paid) initial cash payment upon the execution of the agreement on June 7, 2017,
- \$15,000 US (paid) on the first anniversary of the agreement,
- \$20,000 US to be paid on the second and third anniversary of the agreement,
- \$25,000 US to be paid on the fourth and fifth anniversary of the agreement,
- \$40,000 US to be paid on the sixth and any succeeding anniversary of the agreement.

The Company has an option to purchase the Garfield Flats Project for \$300,000 US.

Sampling Methodology, Chain of Custody, Quality Control and Quality Assurance

All sampling was conducted under the supervision of the Company's project geologists and the chain of custody from the drill to the sample preparation facility was continuously monitored. A blank or certified reference material was inserted approximately every tenth sample. The Lapon Project samples were delivered to ALS Minerals certified laboratory facility in Reno, NV. The samples were crushed, pulverized and the sample pulps digested and analyzed for gold using fire assay fusion and a 50g gravimetric finish. Higher grade samples used a 1kg screen fire assay with screen to 100 microns and 50g gravimetric finish.

The scientific and technical content and interpretations contained in this MD&A have been reviewed, verified and approved by E. Gauthier, geol., Eng (OIQ) a Qualified Person as defined by NI 43-101, Standards of Disclosure for Mineral Projects.

SELECTED ANNUAL INFORMATION

	For the year ended November 30,		
	2017	2016	2015
Revenue	–	–	–
Net Loss	(1,377,304)	(801,773)	(687,834)
Basic and Diluted Loss Per Share	(0.02)	(0.01)	(0.01)
Total Assets	4,656,025	1,074,262	1,117,379
Long-Term Debt	–	–	–
Dividends	–	–	–

OPERATIONS

Nine months ended August 31, 2018

During the nine months ended August 31, 2018 the Company reported a net loss of \$343,197 (2017 - \$1,236,789). Included in the determination of operating loss was share based compensation of \$nil (2017 - \$796,251), consulting fees of \$207,940 (2017 - \$195,776), management fees of \$46,000 (2017 - \$36,000) and office and miscellaneous of \$25,378 (2017 - \$77,882). On August 22, 2017, 9,000,000 stock options with a total value of \$796,252 were issued to certain officers, directors, consultants and employees at a price of \$0.12 per common share for a period of five years.

Three months ended August 31, 2018

During the three months ended August 31, 2018 the Company reported a net loss of \$95,211 (2017 - \$990,341). Included in the determination of operating loss was consulting fees of \$60,000 (2017 - \$71,076), management fees of \$18,000 (2017 - \$12,000) and office and miscellaneous of \$5,552 (2017 - \$38,991). On August 22, 2017, 9,000,000 stock options with a total value of \$796,252 were issued to certain officers, directors, consultants and employees at a price of \$0.12 per common share for a period of five years.

SUMMARY OF QUARTERLY RESULTS

	August 31 <u>2018</u>	May 31, <u>2018</u>	February 28, <u>2018</u>	November 30, <u>2017</u>
Revenue	–	–	–	–
Net loss	(95,211)	(149,069)	(98,917)	(140,515)
Basic and diluted loss per share	(0.01)	(0.00)	(0.00)	(0.00)

	August 31 <u>2017</u>	May 31, <u>2017</u>	February 28, <u>2017</u>	November 30, <u>2016</u>
Revenue	–	–	–	–
Net loss	(990,341)	(141,943)	(104,505)	(601,177)
Basic and diluted loss per share	(0.01)	(0.00)	(0.00)	(0.01)

LIQUIDITY AND CAPITAL RESOURCES

The Company's cash and cash equivalents at August 31, 2018 were \$25,961 compared to \$126,597 at November 30, 2017.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

a) Related party transactions and balances

During the nine months ended August 31, 2018 the following amounts were incurred or paid to officers and directors and/or their related companies:

- i) The Company incurred \$115,000 (2017: \$107,500) in deferred exploration costs, related to our exploration and evaluation property, to a company controlled by a director of the company.
- ii) Accounts payable and accrued liabilities to a company controlled by a director of the Company for unpaid consulting fees, deferred exploration fees and expenses is \$47,654 (November 30, 2017: \$58,083). These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.
- iii) Accounts payable and accrued liabilities to a director and officer of the Company for unpaid management fees and expenses is \$42,747 (November 30, 2017: \$55,421). These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.
- iv) Accounts payable to a director and officer of the Company for unpaid expenses is \$4,858 (November 30, 2017: \$4,858). These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.
- v) The Company incurred \$4,500 (2017: \$nil) in consulting fees to a director of the company.

- vi) Accounts payable to a director and officer of the Company for unpaid consulting fees is \$4,725 (November 30, 2017: \$nil). These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.

These transactions are in the normal course of operations and have been measured at the amount of consideration established and agreed to by the related parties.

b) Key management compensation

Key management includes directors and key officers of the Company, including the President, CEO and CFO.

During the nine months ended August 31, 2018, the Company paid or accrued \$46,000 (2017: \$36,000) in management fees to directors and officers of the Company.

COMMITMENTS

In relation to the flow-through private placements completed during the years ended November 30, 2013 and 2014, the Company is committed to incur and renounce \$613,500 using the look-back rule in Canadian exploration expenditures by December 31, 2014 under Canada Revenue Agency's flow-through rules.

Funds raised through the issuance of flow-through shares are required to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds received less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent on qualifying expenditures. At August 31, 2018, the amount of flow-through proceeds remaining to be spent on qualifying expenditures was \$520,116 (November 30, 2017: \$520,116). As of August 31, 2018, the remaining balance in the flow-through share premium liability was \$139,059 (November 30, 2017: \$139,059) as the Company had not made the necessary expenditures.

The Company agreed to indemnify the flow-through shareholders for certain costs they incurred as a result of not meeting its obligation to spend the flow-through share proceeds on qualifying Canadian exploration expenditures in compliance with the applicable tax rules and pursuant to the share subscription agreement entered into. As at August 31, 2018 the Company has included a provision for the indemnification of flow-through shareholders of \$343,640 (November 30, 2017: \$331,538). During the nine months ended August 31, 2018, the Company recorded penalties and interest in the amount of \$7,135 (2017: \$6,293) related to the flow-through shares described above.

APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

A number of new standards, amendments and interpretations, are not yet effective for the period ended August 31, 2018, and have not been applied in preparing these consolidated financial statements.

The following new standards, amendments and interpretations have not been early adopted in these consolidated financial statements and are not expected to have a material effect on the Company's future results and financial position:

Accounting standards effective for annual periods beginning on or after January 1, 2018

- i. IFRS 15 *Revenue from Contracts with Customers* – In May 2014, the IASB issued IFRS 15 *Revenue from Contracts with Customers* ("IFRS 15") which supersedes IAS 11 – *Construction Contracts*, IAS 18 – *Revenue*, IFRIC 13 – *Customer Loyalty Programmes*, IFRIC 15 – *Agreements for the Construction of Real Estate*, IFRIC 18 – *Transfers of Assets from Customers*, and SIC 31 – *Revenue – Barter Transactions Involving Advertising Services*. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition.

- ii. *IFRS 9 Financial Instruments* - In November 2009, as part of the IASB project to replace IAS 39 Financial Instruments: Recognition and Measurement, the IASB issued the first phase of IFRS 9 that introduces new requirements for the classification and measurement of financial assets. The standard was revised in October 2010 to include requirements regarding classification and measurement of financial liabilities. In November 2013, new general hedge requirements were added to the standard. In July 2014, the final version of IFRS 9 was issued and adds a new expected loss impairment model and amends the classification and measurement model for financial assets by adding a new fair value through other comprehensive income category for certain debt instruments and additional guidance on how to apply the business model and contractual cash flow characteristics.

CRITICAL ACCOUNTING POLICIES

Stock-based Compensation

The Company has a stock option plan, which is described in to the consolidated financial statements. The Company applies the fair value method to all stock-based payments and to all grants that are direct awards of stock that call for settlement in cash or other assets. Compensation expense is recognized over the applicable vesting period with a corresponding increase in contributed surplus. When the options are exercised, share capital is credited for the consideration received and the related contributed surplus is decreased. The Company uses the Black Scholes option pricing model to estimate the fair value of stock based compensation.

Financial Instruments

Financial assets are classified into one of four categories:

- Fair value through profit or loss;
- Held-to-maturity;
- Available for sale and;
- Loans and receivables

The classification is determined at initial recognition and depends on the nature and purpose of the financial asset.

Financial assets at fair value through profit or loss (“FVTPL”)

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated as at FVTPL if

- It has been acquired principally for the purpose of selling in the near future;
- It is a part of an identified portfolio of financial instruments that the Company manages and has an actual pattern of short-term profit-taking or;
- It is a derivative that is not designated and effective as a hedging instrument.

The Company’s cash is classified as FVTPL assets.

Held-to-maturity (“HTM”)

HTM investments are recognized on a trade-date basis and are initially measured at fair value, including transaction costs. The Company does not have any assets classified as HTM investments.

Available-for-sale financial assets (“AFS”)

AFS financial assets are non-derivatives that are either designated as AFS or are not classified as (i) loans and receivables, (ii) held-to-maturity investments or (iii) financial assets as at FVTPL. Subsequent to initial

recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on AFS monetary items, are recognized in other comprehensive income or loss. When an investment is derecognized, the cumulative gain or loss in the investment revaluation reserve is transferred to profit or loss. The Company does not have any assets classified as AFS.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less and impairment losses.

Derecognition of financial assets

A financial asset is derecognized when:

- The contractual right to the asset's cash flows expire; or
- If the Company transfer the financial assets and substantially all risks and rewards of ownership to another entity.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each period end. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Objective evidence of impairment could include the following:

- Significant financial difficulty of the issuer or counterparty;
- Default or delinquency in interest or principal payments; or
- It has become probable that the borrower will enter bankruptcy or financial reorganization.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of all financial assets is directly reduced by the impairment loss. With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease relates to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss. On the date of impairment reversal, the carrying amount of the financial asset cannot exceed its amortized cost had impairment not been recognized.

SHARE CAPITAL

Issued

The company had 103,014,115 common shares issued and outstanding as at August 31, 2018 and the date of this MD&A.

Share Purchase Options

The Company has 9,000,000 stock options outstanding at August 31, 2018 and the date of this MD&A.

Warrants

The Company had 32,886,667 share purchase warrants outstanding at August 31, 2018 the date of this MD&A.

Escrow Shares

The Company has Nil shares held in escrow as at August 31, 2018 and as at the date of this MD&A.