



**MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS
FOR THE NINE MONTHS ENDED MAY 31, 2018**

OVERVIEW AND INTRODUCTORY COMMENT

Viscount Mining is a project generator and an exploration company with a portfolio of silver and gold properties in the Western United States, including Silver Cliff in Colorado and Cherry Creek in Nevada.

The Silver Cliff property in Colorado lies within the historic Hardscrabble Silver District in the Wet Mountain Valley, Custer County, south-central Colorado. It is located 44 miles WSW of Pueblo, Colorado, and has year-around access by paved road. The property consists of 2,297 acres where high grade silver, gold and base metal production came from numerous mines during the period 1878 to the early 1900's. The property underwent substantial exploration between 1967 and 1984.

The property is interpreted to encompass a portion of a large caldera and highly altered sequence of tertiary rhyolitic flows and fragmental units which offers potential to host deposits with both precious and base metals. This has been demonstrated in the mineralization historically extracted from the numerous underground and surface mining operations. Drilling in the 1980s by Tenneco resulted in a historical pre-feasibility study on which basis it was planned to bring the property to production. The plan was abandoned following takeover by another company.

The Cherry Creek Property is focused on exploration in the immediate vicinity of an area commonly known as the Cherry Creek Mining District, located approximately 50 miles north of the town of Ely, in White Pine County, Nevada. Cherry Creek consists of over 276 unpatented and 18 patented claims as well as mill rights, and is comprised of more than 6,000 acres. Cherry Creek includes more than 20 past producing mines including Blue Bird, Chance Mine, Filmore, Last Chance, Star, Exchequer/ New Century Mine, Ticup and Motherlode mines.

This MD&A is dated July 27, 2018 and discloses specified information up to that date. Unless otherwise noted, all currency amounts are expressed in Canadian dollars. The following information should be read in conjunction with the unaudited condensed consolidated interim financial statements and the related notes for the nine months ended May 31, 2018 and the Company's audited consolidated financial statements for the year ended August 31, 2017 and the related notes thereto.

Additional information relevant to the Company and the Company's activities can be found on SEDAR at www.sedar.com, and/or on the Company's website at www.viscountmining.com.

MAJOR INTERIM PERIOD OPERATING MILESTONES

On May 30th, 2018 Viscount Mining Corp. announced an initial mineral resource estimate prepared by Dr. Gilles Arseneau, Ph.D., P. Geo of Arseneau Consulting Services ("ACS") in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards incorporated by reference in National Instrument 43-101 ("NI 43-101") for its Silver Cliff property in Colorado.

The Kate Silver Resource (the "KSR") was the first area drilled and is one of four known historical silver deposits on the Silver Cliff property. The KSR comprises of about 36 hectares of the 900 plus hectares at Silver Cliff which Viscount controls.

This initial or maiden silver resource estimate was generated from results documented during two phases of HQ core drilling in 2016 and 2017 totaling 19 holes at the KSR. The two drill programs had as their primary objective the verification of historical drill results to provide a foundational framework towards confirming the historical data reported by Tenneco. Between 1987 and 1990 **Tenneco** Minerals completed

a feasibility study after an intensive drilling campaign and announced plans to construct a \$35 million mill at Silver Cliff.

This was the year before the parent company, Tenneco, decided to divest their mineral interests so the decision was reversed in 1991.

Effective April 15 2018, ACS estimated that the Kate deposit contained 2,064,000 tonnes of Indicated Mineral Resource averaging 84 grams of silver per tonne for 5,560,000 ounces of silver and 3,172,000 tonnes of Inferred Mineral Resource averaging 70 grams of silver per tonne for 7,143,900 ounces of silver.

classification	tonnes	grade Ag (g/t)	ounces silver
Indicated	2,064,000	84	5,560,900
Inferred	3,172,000	70	7,143,900

- (1) *Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability.*
- (2) *The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.*
- (3) *The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.*
- (4) *The Mineral Resources in this report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.*

The Mineral Resources were estimated from 133 drill holes, 19 of which were drilled by Viscount in 2016 and 2017. A three-dimensional solid of the Kate mineralization was generated on north-south sections spaced 25 m apart. All silver grades were capped to 1,000 g/t and composited to 2.5 m prior to estimation.

Mineral Resources were estimated by ordinary kriging using Geovia GEMs Version 6.8.1 modelling software into 10 by 10 by 5 m blocks. All mineralized blocks were assigned a 2.36 t/m³ bulk density. ACS considers that blocks estimated during pass one and from at least 4 drill holes could be assigned to the Indicated category.

Viscount’s two drilling campaigns on the Silver Cliff Property to date targeted the Kate deposit and primarily aimed at verifying the historical drill results. The 2016 drilling was carried out by Godbe Drilling, an independent drilling contractor. All logging was done by contractors employed by Viscount. The 2017 drill program was carried out by BDW International Drilling of Nevada, all cores for the Viscount drilling were HQ in size. Based on Viscount’s technical team assessment of prior work done at the KSR it appears the historical resource was generated using data collected from roughly 285 drill holes completed within the vicinity of the KSR area.

It should be noted that the drilling in 2016 and 2017 were in two separate rhyolite units that comprise part of the Silver Cliff caldera complex. It was this caldera complex formation that produced profitable silver mining from this region in the 1880’s.

Both units are highly silver mineralized and this expands the resource potential of Viscount’s holdings.

Additional geologic sampling will most likely enlarge the areas that will be targeted for additional drilling and further increase the resource opportunity. The deposit remains open to the west and possibly to the northeast where a limited amount of drill testing has been conducted.

Cherry Creek

In 2017, Viscount Mining Corp. identified promising gold and silver exploration targets on its 100-per-cent-owned Cherry Creek project in northwestern White Pine County, Nevada.

The Cherry Creek property has a long history of gold, silver, lead, zinc and tungsten production from high-grade veins and replacement deposits. This included production from the Blue Bird, Fillmore, Last Chance, Exchequer/New Century, Star, Ticup and Motherlode mines. In addition to the historical mines, recent exploration in the Flint Canyon area of the Cherry Creek property recognized stratigraphic, structural and geochemical characteristics that are similar to those at sediment-hosted gold mines in eastern Nevada, including Newmont's Long Canyon mine and Pilot Gold's Kinsley Mountain mine.

Data collected on the Cherry Creek property show several areas with strong gold and silver exploration potential that have not yet been adequately tested by focused geologic work or drilling. The Company is planning to explore some of these targets in 2018.

INTERIM PERIOD FINANCIAL CONDITION

CAPITAL RESOURCES

During the nine months ended May 31, 2018, 3,845,501 shares were issued gross proceeds \$958,750 as follows 75,000 shares were issued as part of Silver Creek Option Agreement valued at \$0.295 for a total value of \$21,125, 3,570,501 shares were issued when warrant holders exercised \$0.25 warrants for proceeds of \$892,625 and 200,000 shares were issued when option holders exercised \$0.22 options for proceeds of \$44,000. These funds will be used to continue the execution of the Company's exploration as well as for general and administrative costs.

The Company's current treasury and the future cash flows from equity issuances are sufficient to fund the planned developments throughout the remainder of 2018. The Company will make adjustment to plans and budgets as required to realize the best potential from its properties.

Liquidity and Capital Resources

At May 31, 2018 the Company had cash and cash equivalents of \$391,517 (August 31, 2017 - \$940,379), amounts receivable and prepaid expenses of \$77,307 (August 31, 2017 - \$225,119), trade payables and accrued liabilities of \$122,866 (August 31, 2017 - \$94,261) and due to related parties of \$20,208 (August 31, 2017 - \$16,058).

The Company will require significant cash funding to conduct its exploration programs, meet its administrative overhead costs, and maintain its resource interests which will require the Company to obtain additional financing. The faces no known liquidity issues and plans its exploration programs based on available resources.

The Company will continue to consider all sources of financing reasonably available to it, including, equity, debt, and the sale of assets or parts of assets, including mineral properties. There can be no assurance of continued access to finance in the future and an inability to secure financing may require the Company to reduce or defer exploration and development activities.

Results for each of the last eight quarters are set out in the table below:

All amounts in Cdn\$'s except per share data	Three month period ending	Three month period ending	Three month period ending	Three month period ending
	May 31, 2018	February 28, 2018	November 30, 2017	August 31, 2017
			\$	\$
Operations:				
Revenues	Nil	Nil	Nil	#REF!
Net loss and comprehensive loss	(126,060)	299,261	(533,141)	(376,059)
Loss per share	(0.00)	0.01	0.00	(0.01)
Balance Sheet:				
Total assets	3,111,003	3,354,290	2,600,536	2,819,778
Working capital	325,750	816,405	1,217,209	652,925
Shareholders' equity	2,967,929	3,229,175	2,559,582	2,759,550
	Three month period ending	Three month period ending	Three month period ending	Three month period ending
	May 31, 2017	February 28, 2017	November 30, 2016	August 31, 2016
	\$	\$	\$	\$
Operations:				
Revenues	Nil	Nil	Nil	Nil
Net loss and comprehensive loss	(336,584)	(407,234)	(533,141)	(524,382)
Loss per share	(0.01)	(0.02)	0.00	(0.04)
Balance Sheet:				
Total assets	2,120,066	2,317,974	2,600,536	2,935,750
Working capital	332,593	578,466	1,217,209	1,768,322
Shareholders' equity	2,079,215	2,222,823	2,559,582	2,794,387

Comparison of the results from operations for the nine months ended May 31, 2018 with May 31, 2017.

For the nine month period ended May 31, 2018, the Company incurred a net loss and comprehensive loss of \$1,066,435 (2017 – \$1,276,959) resulting in a favourable variance of \$210,524. The variance was primary due to an overall reduction in administrative expenses of \$159,153 11% and a reduction in share based payment of an additional \$60,803, 34%.

Exploration and Evaluation Properties

During the nine month period ended May 31, 2018, the Company expended \$2,642,179 (year ended August 31, 2017 – \$1,891,426). A summary of the changes in the Company's exploration and evaluation properties for the nine month period ended May 31, 2018 and year ended August 31, 2017 are as follows:

	For the Nine Months Ended May 31, 2018	Year ended August 31, 2017
	\$	\$
Balance beginning of year	1,891,426	1,026,065
Property acquisitions	85,330	196,394
Staking new claims and claim maintenance	140,336	200,692
Consulting (Note 7)	316,030	310,080
Drilling	209,057	158,195
Total	2,642,179	1,891,426

RELATED PARTY TRANSACTIONS

As at May 31, 2018, the balance due to related parties, who are officers, directors and/or shareholders, was \$20,208 (August 31, 2017 - \$16,058). The key management personnel compensation for the nine month period ended May 31, 2018 was \$426,392 (2017 \$514,551). Amounts owing to or paid relate to consulting services provide by the related parties or by companies controlled by the related parties and for expense reimbursements.

COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES

The Company is committed to making cash payments, incurring exploration expenditures and/or issuing common shares pursuant to its exploration and evaluation property agreements as detailed in note 5 of the May 31, 2018 quarterly financial statements filed in conjunction with this MD&A.

RISK FACTORS

In our MD&A filed on SEDAR December 4, 2017 in connection with our annual financial statements (the “Annual MD&A”), we have set out our discussion of the risk factors which we believe are the most significant risks faced by Viscount. An adverse development in any one risk factor or any combination of risk factors could result in material adverse outcomes to the Company’s undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to take into account the risk factors to which the Company and its operations are exposed. To the date of this document, there have been no significant changes to the risk factors set out in our Annual MD&A.

DISCLOSURE OF OUTSTANDING SHARE DATA

The authorized share capital of the Company consists of an unlimited number of common shares without par value. The following is a summary of the Company’s outstanding share data as at May 31, 2018 and year ended August 31, 2017:

Issued and Outstanding	May 31, 2018	August 31, 2017
Common Shares	50,593,629	46,748,128
Stock Options	4,371,000	4,071,000
Warrants	10,143,400	18,828,992
Fully diluted common shares outstanding	65,108,029	69,648,120

QUALIFIED PERSON

Dallas Davis, P.Eng, FEC, an independent consulting geologist, who is the Company's qualified person, reviewing the exploration projects described throughout the MD&A and is responsible for the design and conduct of the exploration programs and the verification and quality assurance of analytical results.

Cautionary Statements

This document contains “forward-looking statements” within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and our other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, our estimates of exploration investment, the scope of our exploration programs, and our expectations of ongoing administrative costs. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company’s documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change, except as required by law. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks. Readers are cautioned not to place undue reliance on forward-looking statements.