

LABRADOR GOLD CORP.
Management's Discussion and Analysis ("MD&A")
For the Year Ended September 30, 2018

The following discussion and analysis of the results of operations and of the financial position of Labrador Gold Corp. ("Labrador Gold" or the "Company") is prepared as of January 22, 2018 and should be read in conjunction with the Company's audited financial statements and the notes thereto for the year ended September 30, 2018 ("fiscal 2018").

The financial information presented herein is expressed in Canadian dollars, except where noted.

The Company's financial statements are reported under International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

Overall Performance

Labrador Gold is a company involved in the acquisition and exploration of prospective gold projects in the Americas and is publicly traded on the TSX Venture Exchange ("TSX-V"). To date, the Company has not earned significant revenues and is considered to be in the exploration stage.

On September 5, 2017, the Company entered into a Letter of Intent ("LOI") that grants the Company the option to earn a 100% interest in the Ashuanipi, Nain and Hopedale properties, located in Labrador (the "Labrador Properties"). The Company is meeting the terms of the LOI in respect of Ashuanipi and Hopedale but has dropped the Nain property. Additional claims adjacent to Ashuanipi and Hopedale were staked in fiscal 2018 and are being earned under the terms of the LOI.

In December 2017, the Company changed its name to Labrador Gold to reflect its corporate focus on gold exploration in Labrador and its commitment to the systematic exploration of the Labrador Properties for gold. The Company retained the services of Roger Moss, CEO of the Company, on a full-time basis to further this corporate objective.

The Company also holds a 100% interest in the Borden Lake Extension Property (the "Borden Lake Property") located near Chapleau, Ontario, Canada.

At September 30, 2018, the Company had cash of \$982,715 (September 30, 2017: \$140,959) and working capital of \$965,855 (September 30, 2017: \$127,192).

The Company does not anticipate generating significant revenues in the near future. As a result, the Company will be required to continue raising funds in order to finance its ongoing property evaluation program and general and administrative expenses. This will most likely be accomplished through the sale of equity.

On November 17, 2017, the Company received gross proceeds of \$1,757,000 from the sale of 8,785,000 units priced at \$0.20 per unit. Each unit consisted of one share and one warrant. Each warrant is exercisable into one additional share at a price of \$0.30 for a two-year period. A further \$20,000 was raised from the sale of 80,000 flow-through units at a price of \$0.25 per unit. Each unit consisted of one flow-through common share and one non-flow through warrant. Each non-flow through warrant is exercisable into one additional share at a price of \$0.35 for a two-year period. Finders fees comprised of \$39,120 in cash and 285,600 warrants of the Company valued at \$39,239 were issued in connection with this private placement.

On July 23, 2018, the Company received gross proceeds of \$2,624,500 from the sale of 10,498,000 units priced at \$0.25 per unit. Each unit consisted of one share and one-half warrant. Each whole warrant is exercisable into one additional share at a price of \$0.35 for a two-year period. A further \$375,600 was raised from the sale of 1,252,000 flow-through units at a price of \$0.30 per unit. Each flow-through unit consisted of one flow-through common share and one-half non-flow through warrant. Each whole non-flow through warrant is exercisable into one additional share at a price of \$0.40 for a two-year period. Finders fees comprised of \$180,127 in cash and 440,844 warrants of the Company valued at \$69,169 were issued in connection with this private placement. The Company also incurred \$7,500 in share issuance expense.

During the year, the Company issued 1,950,000 shares, valued at \$394,500, for the acquisition of unproven mineral right interests at the Labrador Properties.

The Company received proceeds of \$290,750 from the exercise of 1,975,000 warrants, and \$37,500 from the exercise of 450,000 options. In conjunction with the options being exercised the Company reclassified \$32,230 of previously recorded share-based compensation from share-based payments reserve to share capital.

The Company also entered into a shares-for-debt settlement with an arms' length party, in respect of exploration work provided to the Company on the Labrador Properties. Pursuant to the settlement, the Company issued an aggregate of 578,327 common shares to settle debt of \$173,498 and recognized a gain on settlement of \$17,350.

The Company recorded a reduction to share capital of \$66,600 associated with the tax recovery booked in respect of flow-through financings undertaken during the year.

Selected Annual Information

	Year ended September 30, 2018	Year ended September 30, 2017	Year ended September 30, 2016
Total revenues	\$-	\$-	\$-
Net loss	(621,110)	(155,866)	(81,444)
Loss per share	(0.02)	(0.01)	(0.01)
Diluted loss per share	(0.02)	(0.01)	(0.01)

	At September 30, 2018	At September 30, 2017	At September 30, 2016
Total assets	\$6,390,472	\$1,068,175	\$533,230
Total long-term liabilities	-	-	-
Cash dividends declared	-	-	-

Results of Operations

In fiscal 2018 Labrador Gold posted a net loss of \$621,110 or \$0.02 per share, compared to net loss of \$155,866 (\$0.01 per share) in the year ended September 30, 2017 ("fiscal 2017").

Expenses in fiscal 2018 included share-based payments of \$314,120 (2017: \$95,842), shareholder communications of \$163,571 (2017: \$5,160), consulting and management fees of \$98,375 (2017: \$19,237), regulatory and transfer fees of \$55,671 (2017: \$22,342), professional fees of \$40,323 (2017: \$16,071) and office and miscellaneous expenses of \$33,000 (2017: \$7,897). In 2018, the Company also recorded a gain on forgiveness of debt of \$17,350.

From time to time, the Company may acquire or dispose of mineral right interests pursuant to the terms of option agreements. Since options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded as assets but as resource property costs or recoveries when the payments are made or received.

Unproven Mineral Right Interests

Ownership in mineral right interests involves certain inherent risks due to the difficulties of determining and obtaining clear title to claims as well as the potential for problems arising from the ambiguous conveyance history of many mineral right interests. The Company has investigated ownership of its mineral right interests and, to the best of its knowledge, ownership of its interests are in good standing.

	September 30, 2018	September 30, 2017
Labrador Properties		
Acquisition	850,203	-
Deferred exploration	3,366,009	-
	4,216,212	-
Borden Lake Property		
Acquisition	314,185	314,185
Deferred exploration	601,460	600,674
	915,645	914,859
	5,131,857	914,859

Labrador Properties

On September 5, 2017, the Company entered into a Letter of Intent (“LOI”) that grants the Company the option to earn a 100% interest in the Ashuanipi, Nain and Hopedale properties, located in Labrador (the “Labrador Properties”). The terms of the LOI are the following:

- On receipt of TSX-V approval: payment of \$75,000 and issuance of 450,000 shares in respect of each of the three Labrador Properties (completed);
- On or before September 5, 2018: payment of \$100,000 and issuance of 300,000 shares in respect of each property (completed with the payment of \$200,000 and issuance of 600,000 shares on the Ashuanipi and Hopedale properties, as the Company dropped its option on the Nain property);
- On or before September 5, 2019: payment of \$150,000 and issuance of 350,000 shares in respect of each property;
- On or before September 5, 2020: payment of \$175,000 and issuance of 400,000 shares in respect of each property; and
- On or before September 5, 2021: payment of \$250,000 and issuance of 500,000 shares in respect of each property

The vendors of the Labrador Properties retain a 2% net smelter return (“NSR”) royalty, half of which may be bought back by the Company at any time for \$2 million plus \$1 per ounce of gold in measured and indicated resources. An advance royalty of \$25,000 per annum for each property will be payable starting in 2023.

In January 2018, additional claims contiguous to the Ashuanipi property were staked and are being earned by the Company under the terms of the LOI. The Company also staked additional claims contiguous to the Ashuanipi property.

In May 2018, additional claims at the Hopedale property were staked and are being earned by the Company under the terms of the LOI.

Borden Lake Property

The Company has a 100% undivided interest in the Borden Lake Property located near Chapleau Ontario. The 1,598-hectare property lies immediately east of Goldcorp’s Borden Lake gold project. The original vendors of the Borden Lake Property retain a 2% net smelter return (“NSR”) royalty, half of which may be bought back by the Company for \$1 million at any time

The Company also entered into an option agreement to earn a 100% interest in six claims located to the south of the Property (the “Additional Claims”). The terms of the option were completed in the year ended September 30, 2017.

Exploration Activity – Fiscal 2018

During fiscal 2018, the Company focused its work on the Labrador Properties. Under the LOI described in the preceding section of this MD&A, the Company has the option to acquire 100% of the 740 square kilometre (km²) Ashuanipi property in northwest Labrador as well as a right of first refusal for the Nain (503 km²) and Hopedale (458 km²) properties in central Labrador. The Company exercised its right of first refusal to acquire the option on the Nain and Hopedale properties on November 23, 2017.

During September to October 2017, the Company undertook a first stage exploration program comprising lake sediment sampling, soil sampling and cursory prospecting on the three properties.

Results of the reconnaissance exploration program at Hopedale show gold anomalies in soils and lake sediments over a 3-kilometer section of the northern portion of the Florence Lake greenstone belt near the known Thurber Dog gold showings. Initial prospecting during the exploration program collected 35 rock samples with subsequent assays indicating a gold content up to 7.87 g/tonne (range <5ppb to 7.87g/tonne) in a composite grab sample from carbonatized ultramafic rock. The Company’s data, combined with results of work during the 1980s and 1990s, show a trend of significant gold anomalies in rocks and soils stretching over the 3km strike length that encompasses the known Thurber Dog gold showings. In addition to the gold values found by the Company, highlights of historical data, summarized in the table below, include grades of 3.97 g/t Au in a 5m chip channel sample of a quartz carbonate vein with 4.1 g/t Au in a sample from the wall rock to the vein and 1.89 g/t Au in 6m chip channel sample through a quartz vein containing arsenopyrite. (See figures at <https://www.labradorgold.com/portfolio/hopedale>).

Highlights of the Company's and historical assays of rock samples from the Florence Lake Greenstone Belt

Sample Number	Northing	Easting	Au (g/t)	Sample Description	Sample Type	Source
158329 4	654642	6109972	5.83	Semi-massive arsenopyrite in quartz-carbonate vein with pyrite stringers near vein margin	Grab	A
158329 7	654456	6109674	0.66	Talc-carbonate ultramafic schist with mm scale quartz-carbonate veinlets and 0.5 to 1% arsenopyrite	Grab	A
158329 8	654642	6109972	7.87	Quartz-carbonate veins in mafic/ultramafic schist with 0.5% arsenopyrite and trace pyrite	Composite grab	A
158330 0	654742	6111930	0.32	Magnesite altered ultramafic rock with minor fuchsite and 1% pyrite as disseminations and stringers	Grab	A
158330 2	654457	6109594	0.47	Talc-carbonate ultramafic/mafic with mm scale quartz-carbonate veinlets and traces disseminated pyrite	Composite Grab	A
AD110	654829	6112204	1.80	Pink-red schistose to massive ultramafic, pyrite	Grab	B
AD121	654637	6109979	7.50	Arsenopyrite in quartz vein	Grab	B
AD128	654763	6111560	1.10	Oxidized siliceous zone with minor pyrite	Grab	B
AD134	654637	6109992	1.89	Arsenopyrite in quartz vein	6m chip channel	B
112916	654825	6112150	3.18	Semi-massive pyrite with arsenopyrite +/- covellite	Grab	C
112917	654840	6112200	2.94	Chloritic metavolcanic schist with quartz-carbonate veins containing semi-massive pyrite & arsenopyrite	Grab	C

Sample Number	Northing	Easting	Au (g/t)	Sample Description	Sample Type	Source
112918	654840	6112250	2.66	Chloritic metavolcanic schist with quartz-carbonate veins and semi-massive pyrite & arsenopyrite	Grab	C
28761	654478	6109809	3.97	Quartz-carbonate vein in sheared, carbonatized mafic/ultramafic schist locally with arsenopyrite and minor pyrite/chalcopyrite (<5%)	5m chip channel	C
28766	654478	6109809	4.06	Wall rock sample from 28761 site; carbonatized mafic/ultramafic schist with 2% arsenopyrite	Grab	C
LB0269 2	654672	6112174	3.80	Rusty pyritized fault tectonized mafic, intensely carbonatized with up to 2% pyrite	Grab	D

Sources: A. Labrador Gold B. Cornerstone Ventures, 2004 C. Tapestry Ventures, 1997 D. Falconbridge, 1993. Note: grab samples are selected samples and are not representative of the mineralization hosted on the property.

Gold is typically associated with quartz-carbonate veins in carbonatized ultramafic metavolcanic rocks accompanied by arsenopyrite and pyrite. Felsic metavolcanic rocks, commonly altered to quartz-sericite schist, occur adjacent to the ultramafic rocks and also host gold mineralization in places.

Anomalous gold in soil samples also occur over approximately 40 kilometers along the southern section of the greenstone belt. (See figures at www.labradorgold.com/portfolio/hopedale/).

Gold in the soil samples highlight geological contacts as zones of potential enrichment, since anomalies typically occur where the soil lines cross contacts between ultramafic volcanic rocks and adjacent volcanic or sedimentary rocks.

A total of 414 lake sediment samples were collected, representing a sample density of 0.83 samples per square kilometer. Analyses of the lake sediment samples showed gold values from 0.1 to 40 parts per billion (ppb). A total of 1,916 soil samples were also taken and analyses ranged from <0.5 to 938 ppb (0.93 g/tonne) gold with 5 samples containing more than 100 ppb Au.

During the year, the Company announced the staking of an additional 92 claims at the northern end of the Florence Lake greenstone belt. The 92 claims staked at the Hopedale project cover the northern portion of the Florence Lake greenstone belt that is open to staking. The new claims are immediately north of the Thurber Dog area where Labrador Gold reported grab samples up to 7.87 g/t gold and where known occurrences have assayed 3.97 g/t over 5 metres in channel samples (see table above). The addition of the new claims increases the total strike length of the horizon prospective for gold mineralization in the belt to 50 kilometres, all of which is controlled by Labrador Gold.

A follow up program was undertaken at the Hopedale Project in July and September 2018. The work included detailed soil sampling on A total of twelve detailed soil grids were sited over areas known to be anomalous from the results of the 2017 program, and over known mineral occurrences and/or airborne magnetic anomalies interpreted to represent geological structures. A total of 10,053 soil samples were taken over the twelve grids. Assays of the samples returned gold values between below detection (<5ppb) and 2,860 ppb. Thirty-six samples returned values greater than 100ppb Au, with five of these samples

grading greater than 1,000 ppb Au (1g/t). Arsenic values range from less than detection to the upper limit of 10,000 ppm with 94 samples assaying greater than 1000ppm. Mercury values ranged between 0.005ppm and 7.98 ppm with eight samples assaying greater than 1ppm. Antimony values ranged between 0.05 and 171.5 ppm with eight samples assaying greater than 100ppm. In addition to the soil sampling geological mapping, prospecting and rock sampling was carried out along the length of the belt.

Results of the program at the Ashuanipi project show gold anomalies in soils and lake sediments over a 15-kilometer-long by 2 - 6-kilometer-wide north-south trend and over a 14-kilometer-long by 2 - 4-kilometer-wide east-west trend. The anomalies appear to be broadly associated with magnetic highs and do not show any correlation with specific rock types on a regional scale. This suggests a possible structural control on the localization of the gold anomalies.

A total of 753 lake sediment samples were collected, representing a sample density of more than one sample per square kilometer. Analyses of the lake sediment samples showed gold values from 0.1 to 202.5 parts per billion (ppb). A total of 4,798 soil samples were also taken and analyses ranged from 0.1 to 1,424 ppb (1.4 g/tonne) gold with 14 samples containing more than 100 ppb Au, and two samples containing more than 1 g/tonne Au. Prospecting was also carried out and 39 rock samples were collected that showed gold values ranging from <5 ppb to 2.5 g/tonne, with eight samples containing greater than 100 ppb Au.

Due to the success of the initial exploration, the company staked a total of 449 claims contiguous with the original northern Ashuanipi claims. The new claims cover an area of 152 square kilometers of similar rock types and magnetic signatures as seen on the original Ashuanipi claim block. The Ashuanipi property now covers a total of 892 square kilometers.

Follow up work consisting of detailed soil sampling, rock sampling and geological mapping was undertaken on the Ashuanipi project during August 2018. A total of 7,455 samples were taken over the 15km north south anomalous trend identified during the 2017 work. Gold values ranged from below detection limit up to 8,973 ppb (8.97g/tonne), with 3 samples showing more than 1,000ppb Au (>1g/tonne) and 54 samples with more than 100ppb Au (0.1g/tonne).

Lake sediment data released during 2018 indicate that the Company's Ashuanipi gold project, straddling the border of Labrador and Quebec, covers half of the most anomalous gold values (greater than the 98th percentile) from 21,678 samples. The anomalous area covered by the Ashuanipi claims is even more significant when considering that known gold showings to the north are associated with significantly lower gold in lake sediment anomalies (see figures at www.labradorgold.com). The lake sediment data is part of the Geological Survey of Canada's Geo-mapping for Energy and Minerals (GEM-2) program. As part of the program, 5,510 lake sediment samples from western and northern Labrador previously analyzed by various methods were re-analyzed by ICP-MS after aqua-regia digestion to merge with 26,727 samples from the adjacent region in Quebec.

Exploration work carried out on the Nain project during the year did not produce significant results. As such the option for the property was terminated.

The technical content of the mineral property disclosure in this MD&A has been reviewed and approved by Roger Moss, Ph.D., P.Geo, a qualified person as defined by National Instrument 43-101. Except where noted the property disclosure in this MD&A has not been the subject of a National Instrument 43-101 report.

Summary of Quarterly Results (IFRS)

	Qtr. ended	Qtr. ended	Qtr. ended	Qtr. ended
	September 30, 2018	June 30, 2018	March 31, 2018	Dec. 31, 2017
Total revenues	\$-	\$-	\$-	\$-
Net loss	(60,772)	(95,659)	(88,790)	(375,889)
Loss per share	(0.01)	-	-	(0.01)
Diluted loss per share	(0.01)	-	-	(0.01)

	Qtr. ended	Qtr. ended	Qtr. ended	Qtr. ended
	September 30, 2017	June 30, 2017	March 31, 2017	Dec. 31, 2016
Total revenues	\$-	\$-	\$-	\$-
Net loss	(7,074)	(8,830)	(123,404)	(16,558)
Loss per share	-	-	(0.01)	-
Diluted loss per share	-	-	(0.01)	-

Liquidity and Capital Resources

Labrador Gold is a development-stage company that currently does not generate significant revenues and does not anticipate doing so in the near future.

Labrador Gold held cash of \$982,715 at September 30, 2018, compared to \$140,959 at September 30, 2017.

The Company had working capital of \$965,855 on September 30, 2018, compared of \$127,192 on September 30, 2017.

The Company is not subject to debt covenants.

Transactions with Related Parties

As at September 30, 2018, the Company's related parties consist of a company controlled by the Company's Chief Executive Officer ("CEO") and a company controlled by the Company's Chief Financial Officer ("CFO").

	Nature of Transaction
Moss Explorations Services	Management
Delphis Financial Strategies Inc.	Management

The Company entered into the following transactions with related parties:

- i. During the year ended September 30, 2018, the Company incurred management and consulting fees of \$12,000 (2017: \$12,000) paid to a company controlled by the Company's CFO and \$75,225 (2017: \$7,238) paid to a company controlled by the Company's CEO.

- ii. During the year ended September 30, 2018, the Company incurred geological consulting fees of \$6,375 (2017: \$8,063 paid to a company controlled by the Company's CEO).
- iii. Amounts due to related parties are unsecured, non-interest bearing and due on demand.
- iv. Management fees to the Company's CEO are paid pursuant to a consulting agreement under which Moss Exploration Services receives a monthly fee of \$8,000. The Company can terminate the agreement with three months' notice, or payment of the fees during the termination period in lieu of notice.

These transactions occurred in the normal course of operations and were measured at fair value as determined by management.

Critical Accounting Estimates

The most significant estimates are related to the physical and economic lives of unproven mineral right interests, and their recoverability.

Subsequent Events

Subsequent to September 30, 2018, the Company:

- a) Received proceeds of \$546,650 from the exercise of 4,205,000 warrants.
- b) Issued 66,470 shares valued at \$11,300 to an unrelated third-party providing online marketing services to the Company.

Other MD&A Requirements

As of January 22, 2019, the Company has outstanding a total of 55,864,022 shares, 2,780,000 options with a weighted average exercise price of \$0.15 per share and 16,266,484 warrants with a weighted average exercise price of \$0.31 per share. Additional information is available at the Company's website at www.labradorgold.com. To view the public documents of the Corporation, please visit the Corporation's profile on the SEDAR website at www.sedar.com.

Cautionary Statement on Forward Looking Information

This MD&A contains certain forward-looking information and statements as defined in applicable securities laws (collectively referred to as "forward-looking statements"). These statements relate to future events or our future performance. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "should", "believe" and similar expressions is intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These statements speak only as of the date of this MD&A. These forward-looking statements include but are not limited to, statements concerning:

- our strategies and objectives;
- prices and price volatility for commodities and of materials we use in our operations;
- the demand for and supply of commodities and materials that we use and plan to produce and sell;

- our financial resources;
- interest and other expenses;
- domestic laws affecting our operations;
- our tax position and the tax rates applicable to us;
- decisions regarding the timing and costs of construction and production with respect to, and the issuance of, the necessary permits and other authorizations required for any proposed projects;
- our planned future production levels;
- potential impact of production and transportation disruptions;
- our planned capital expenditures and estimates of costs related to environmental protection;
- our future capital and production costs, including the costs and potential impact of complying with existing and proposed environmental laws and regulations in the operation and closure of our operations;
- our financial and operating objectives;
- our environmental, health and safety initiatives;
- the outcome of legal proceedings and other disputes in which we may be or become involved; and
- general business and economic conditions.

Inherent in forward-looking statements are risks and uncertainties beyond our ability to predict or control, including risks that may affect our operating or capital plans; risks generally encountered in the permitting and development of mineral projects such as unusual or unexpected geological formations, unanticipated metallurgical difficulties, delays associated with permit appeals, ground control problems, adverse weather conditions, process upsets and equipment malfunctions; risks associated with labour disturbances and availability of skilled labour and management; fluctuations in the market prices of our principal commodities, which are cyclical and subject to substantial price fluctuations; risks created through competition for mining projects and properties; risks associated with lack of access to markets; risks associated with mine plan estimates; risks posed by fluctuations in exchange rates and interest rates, as well as general economic conditions; risks associated with environmental compliance and changes in environmental legislation and regulation; risks associated with our dependence on third parties for the provision of critical services; risks associated with non-performance by contractual counterparties; title risks; social and political risks associated with our operations; risks of changes in laws affecting our operations or their interpretation; and risks associated with tax reassessments and legal proceedings.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- interest rates;
- changes in commodity prices;
- acts of government and the outcome of legal proceedings;
- the supply and demand for, deliveries of, and the level and volatility of commodities and products used in our operations;
- the timing of the receipt of permits and other regulatory and governmental approvals;
- changes in credit market conditions and conditions in financial markets generally;
- the availability of funding on reasonable terms;
- our ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the availability of qualified employees and contractors for our operations;
- our ability to attract and retain skilled staff;
- engineering and construction timetables and capital costs for our projects;

- costs of closure of various operations;
- market competition;
- the accuracy of our mine plan estimates (including, with respect to size, grade and recoverability) and the geological, operational and price assumptions on which these are based;
- tax benefits and tax rates;
- the resolution of environmental and other proceedings or disputes; and
- our ability to obtain, comply with and renew permits in a timely manner.

We caution you that the foregoing list of important factors and assumptions is not exhaustive. Other events or circumstances could cause our actual results to differ materially from those estimated or projected and expressed in, or implied by, our forward-looking statements. Except as required by law, we undertake no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of factors, whether as a result of new information or future events or otherwise.