



**MANAGEMENT DISCUSSION AND ANALYSIS
FOR NINE MONTHS ENDED SEPTEMBER 30, 2019
AND SEPTEMBER 30, 2018**

FORWARD LOOKING DISCLAIMER

Certain statements in this document constitute “forward looking statements”, which statements are made as of the date hereof. The Corporation undertakes no obligation to publicly update any such statements to reflect new information or the occurrence of future events or circumstances. Management believes that any forward-looking statements are based upon reasonable assumptions but can provide no guarantees or assurances that actual results will be consistent with such statements.

Forward-looking statements may be identified by such terms as “believes”, “anticipates”, “expects”, “estimates”, “may”, “could”, “would”, “will”, “plan” or similar words. You are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation:

Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks, uncertainties and other factors include, but are not limited to, the following:

- I. our ability to finance the continued exploration of our mineral properties;
- II. the lack of cash flow and the Corporation’s dependency on new capital;
- III. our history of losses and expectation of future losses;
- IV. our ability to obtain adequate financing for our planned development activities;
- V. commodity price fluctuations;
- VI. uncertainty of production at our mineral exploration properties;
- VII. the lack of Proven Mineral Reserves or Probable Mineral Reserves;
- VIII. the risk of title problems related to resource properties;
- IX. the impact governmental regulations, including environmental regulations; and
- X. the results of legal claims made by or against the Corporation.

These forward-looking statements are based on the beliefs of our management as well as on assumptions made by and information currently available to us at the time such statements were made. We undertake no obligation to update forward-looking statements should circumstances or estimates or opinions change.

The Corporation undertakes no obligation to update forward-looking statements should circumstances or estimates or opinions change.

This MD&A reports on our activities up November 25, 2019.

MANAGEMENT DISCUSSION AND ANALYSIS

The following management discussion and analysis (the "Q3-2019 MD&A") should be read in conjunction with the unaudited interim financial statements of the Corporation for nine months ended September 30, 2019 and the notes related thereto, which were prepared in accordance with International Financial Reporting Standards.

- the unaudited interim financial statements of the Corporation for the six months ended June 30, 2019 (the "Q2-2019 MD&A");
- the unaudited interim financial statements of the Corporation for the three months ended March 31, 2019 (the "Q1-2019 MD&A");
- the audited annual financial statements of the Corporation for the year ended December 31, 2018 (the "2018 MD&A"); and
- the unaudited interim financial statements of the Corporation for the nine months ended September 30, 2018 (the "Q3-2018 MD&A");

Information disclosed in the Q2-2019, Q1-2019, 2018 MD&A, Q3-2018 and the Q2-2018 MD&A and not updated herein, remains unchanged as of the date hereof.

OVERVIEW

The Corporation was incorporated under the Business Corporations Act (Ontario) on April 17, 1945, as Davidson Tisdale Mines Limited.

Since its incorporation, the Corporation has changed its name to Davidson Tisdale Ltd., Northcott Gold Inc., Laurion Gold Inc., and to Laurion Mineral Exploration Inc., which formally occurred on October 10, 2006.

Since its incorporation, the Corporation has been an exploration company engaged in the acquisition and exploration of Canadian gold properties, with exploration efforts focused on gold and base metals.

The Corporation holds the following property packages with the descriptions as follows:

1. The Ishkoday property situated in the Onaman-Tashota Greenstone Belt, 220km northeast of Thunder Bay, Ontario. The Ishkoday is composed of a 4,442-hectare land package consisting of 20 contiguous mining leases (1,178 hectares) and 17 mining claims totaling 204 units (3,264 hectares) located in Irwin, Walters, Elmhirst and Pifher Townships, 25km northeast of the Town of Beardmore.
2. A 2.5% net smelter royalty with respect to precious metals and a 1.5% net smelter royalty with respect to all other metals on the Midlothian Property. The Midlothian Property consists of 11 claims (152 claim units) covering an area of approximately 2,432 hectares and is located 80km west-southwest of Kirkland Lake and 25km west-southwest of the town of Matachewan.

For additional information about the Ishkoday and Midlothian properties see sections hereof under the headings entitled "Q3-2019 Corporate Highlights", "Subsequent Events" and "Summary of Exploration".

Q3-2019 CORPORATE HIGHLIGHTS

The following are the Corporation's highlights of Q3-2019, which affected the performance:

- **LAURION Announce Annual and Special Meeting of Shareholders - (Press Release) – July 11, 2019** – the Corporation announced the voting results of the Annual and Special Meeting of Shareholders of the Corporation that was held on July 11, 2019 (the "Meeting").
- **LAURION Announces Establishment of Technical Advisory Management Board and Issuance of Stock Options – (Press Release) – July 16, 2019** – the Corporation announced the formation of a Technical Advisory Management Board (the "Advisory Board") to provide advice and peer review to the Board and LAURION management with respect to ongoing exploration efforts on the Ishkoday Project.
- **LAURION Updates Exploration Program and Ishkoday - (Press Release) – July 17, 2019** – the Corporation announced an update on the 2019 exploration program (the "Stage 2 Campaign") at the Corporation's Ishkoday Project.

- **LAURION Announces Proposes Non-Brokered Private Placement of Flow-Through Units - (Press Release) – July 24, 2019** – the Corporation announced that it is proposing to complete a private placement on a non-brokered basis (the “Private Placement”). The Corporation intends to raise \$1 million in gross proceeds by issuing 8,333,333 units (the “Units”) at a price of \$0.12 per Unit.
- **LAURION Renegotiates Arrangement with CGM Regarding Midlothian and Announces Completion of Previously Announced Private Placement of Units – (Press Release) – July 30, 2019** – the Corporation announced that it has successfully renegotiated the terms of its arrangement with Canadian Gold Miner Corporation (“CGM”) in regards to an early-stage exploration project located 80 km west-southwest of Kirkland Lake, Ontario and 25 km west-southwest of Matachewan, Ontario (the “Midlothian Property”).
- The Corporation also announced that its previously-announced non-brokered private placement (the “Private Placement”) of units (the “Units”) had been completed, pursuant to the Private Placement, in which an aggregate of 10,000,000 Units was issued at a subscription price of \$0.10 per Unit for aggregate gross proceeds to the Corporation of \$1 million.
- **LAURION Receives Significant Assay Results from Channels Samples at the M24 Vein at Ishkoday – (Press Release) – August 1, 2019** – the Corporation announced the first new gold assay results (the “Results”) from channel sampling at the M24 Quartz Vein (the “M24”) at the Corporation’s wholly-owned Ishkoday Project.
- **LAURION Updates Summer Program at Ishkoday – (Press Release) – August 7, 2019** – the Corporation provided a second update of the 2019 field exploration program (the “Stage 2 Campaign”) at the Corporation’s wholly-owned Ishkoday Project.
- **LAURION Announces Closing of First Tranche of Non-Brokered Private Placement of Flow-Through Units – (Press Release) – August 13, 2019** – the Corporation announced that it had closed the first tranche of its previously-announced non-brokered private placement (the “Private Placement”), with the first tranche consisting of an aggregate of 2,916,666 units (the “Units”) at a subscription price of \$0.12 per Unit for aggregate gross proceeds to the Corporation of \$350,000.
- **LAURION’S No. 3 Quartz Vein Channel Samples Return Significant Gold Grades Ranging from 34g/t gold over 2.13m to 0.91g/t gold over 2.33m at Ishkoday– (Press Release) – August 20, 2019** – the Corporation reported the second batch of new gold assay results (the “Results”) from channel sampling at the No. 3 Quartz Vein (the “3 Vein”) located at the Corporation’s wholly-owned Ishkoday Project.
- **LAURION Announces Engagement of a Marker Maker – (Press Release) – September 3, 2019** – the Corporation announced that it had, subject to regulatory approval, retained Integral Wealth Securities Limited (“Integral”) to provide market-making services for the purposes of maintaining an orderly trading market and improving the liquidity of the Corporation’s common shares.

- **LAURION Announces Completion of Previously-Announced Private Placement of Flow-Through units and Grant of Stock Options to a Director – (Press Release) – September 9, 2019** – the Corporation announced that further to its July 24, 2019 and August 13, 2019 announcements, the Corporation had closed its second and final tranche (the “Second Tranche”) of the previously-announced non-brokered private placement (the “Private Placement”) of flow-through units (the “Units”). Pursuant to the Second Tranche, the Corporation issued 5,416,667 Units at a price of \$0.12 per Unit for aggregate gross proceeds of \$650,000. Together with the first tranche of the Private Placement (the “First Tranche”), the Corporation raised \$1 million through the issuance of 8,333,333 Units.

The Corporation also announced that it had granted incentive stock options to one of its directors.

- **LAURION Announces the First Assay Results from the “CRK” Sulphide Veins at Ishkoday – (Press Release) – September 15, 2019** – the Corporation provided new gold, silver, zinc and copper assay results from the 2019 field exploration program (the “Stage 2 Campaign”) at the Corporation’s wholly-owned Ishkoday Project.
- **LAURION Announces Proposed Non-Brokered Private Placement of Units – (Press Release) – September 16, 2019** – the Corporation announced that it is proposing to complete a private placement on a non-brokered basis (the “Private Placement”). The Corporation intends to raise \$500,000 in gross proceeds by issuing 20,000,000 units (the “Units”) at a price of \$0.17 per Unit.
- **LAURION Announces Upsize of Previously Non-Brokered Private Placement of Units – (Press Release) – September 20, 2019** – the Corporation announced today announced that, due to strong investor demand, it had increased the maximum size of its previously announced non-brokered private placement (the “Private Placement”) to 2,994,118 units of the Corporation (the “Units”) at a price of \$0.17 per Unit for gross proceeds of up to \$509,000.
- **LAURION Discovers New Sulphide Veins at the “CRK” Zone at Ishkoday – (Press Release) – September 24, 2019** – the Corporation reported new and significant channel samples intervals assay results from the northern portion of CRK Sulphide Zone.

SUBSEQUENT EVENTS

- **LAURION Announces Closing of Non-Brokered Private Placement of Units – (Press Release) – October 2, 2019** – the Corporation announced that it has closed its previously-announced non-brokered private placement (the “Private Placement”), pursuant to which the Corporation issued an aggregate of 2,991,175 units (the “Units”) at a subscription price of \$0.17 per Unit for aggregate gross proceeds to the Corporation of approximately \$509,000. As announced on September 20, 2019, the Corporation agreed to upsize the Private Placement as a result of strong investor interest and over-subscriptions.

- **LAURION Announces New Channel Sample Assay Results from the Sturgeon River Mine Sector at the Ishkoday Project – (Press Release) – October 8, 2019** – the Corporation announced new gold assay results (the “Results”) from channel sampling at the No. 1, No. 2, M23 and M25 Quartz Veins from the Corporation’s wholly-owned Ishkoday Project (“Ishkoday” or “Project”), located 220 km northeast of Thunder Bay, Ontario.
- **LAURION Announces Metallic Screen Assay from the M24 Quartz Vein and New Channel Sample Assays from the 85-A2 Quartz Vein at the Ishkoday Project – (Press Release) – October 10, 2019** – the Corporation announced new gold assay results (the “Results”) from channel sampling at the 85-A2 Quartz Vein, as well as Metallic Screening (“Metallics”) check assays from 87 channel samples of the M24 Quartz Vein, all from the Corporation’s wholly-owned Ishkoday Project.
- **LAURION Announces Second New Polymetallic Discovery (the “SJ” Sulphide Veins) from the CRK Zone at the Ishkoday Property at the Ishkoday Project – (Press Release) – October 18, 2019** – the Corporation announced new assay results (the “Results”) from channel sampling at the newly discovered “SJ” Sulphide Veins of the south central segment of the CRK Zone at the Corporation’s wholly-owned Ishkoday Project.
- **LAURION Announces Closing of Non-Brokered Private Placement of Units – (Press Release) – October 22, 2019** – the Corporation announced that it is proposing to complete a private placement on a non-brokered basis (the “Private Placement”). The Corporation intends to raise up to \$1 million in gross proceeds by issuing approximately 5,263,157 units (the “Units”) at a price of \$0.19 per Unit.
- **LAURION Announces Third New Polymetallic Discovery Linked to Oxide Sulphide and Quartz Veins from the CRK Zone at the Ishkoday Property – (Press Release) – October 25, 2019** – the Corporation announced new assay results (the “Results”) from channel sampling at the newly discovered magnetite-chlorite-actinolite sulphide (“Oxide-Sulphide”) and distinct quartz veins in the NE segment (“#56-65 Trenches”) of the CRK Zone at the Corporation’s wholly-owned Ishkoday Project.
- **LAURION Announces Fourth New Polymetallic Discovery Linked to Sulphide Oxide-Sulphide and Quartz Veins from Trench #36 of the Main CRK Zone at the Ishkoday Project – (Press Release) – October 29, 2019** – the Corporation announced to issue new assay results (the “Results”) from channel sampling at the newly discovered sulphide (consisting of sphalerite, chalcopyrite and pyrite), magnetite-chlorite-actinolite-sulphide (“Oxide-Sulphide”) and quartz veins in the central CRK Zone main segment (“Trench #36”) at the Corporation’s wholly-owned Ishkoday Project.
- **LAURION Announces Closing of First Tranche of Non-Brokered Private Placement of Flow-Through Units – (Press Release) – November 4, 2019** – the Corporation announced it had closed the first tranche of its previously-announced non-brokered private placement (the “Private Placement”), with the first tranche consisting of an aggregate of 2,368,438 units (the “Units”) at a subscription price of \$0.19 per Unit for aggregate gross proceeds to the Corporation of \$450,000.

SUMMARY OF EXPLORATION

The properties in which the Corporation currently has an interest are in the exploration stage; as such the Corporation is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Corporation will spend its existing working capital and raise additional amounts as needed.

As the Corporation's business primarily involves mining exploration and development, the Corporation does not have a source of revenue and it remains impossible to determine the likelihood or estimated time frame for this to change.

PROPERTIES STATUS

| | Property | Ownership | Metals | Agreement Arrangement |
|----|---|-----------|-----------------|--------------------------------------|
| 1. | Ishkoday Properties (4,442 ha) | 100% | Au-Ag-Zn-Cu | |
| 2. | Midlothian and Doon Properties (4,341 ha) | 30% | PGE-Ni-Cu-Zn-Au | Transition Metals/ Canadian Miner |

ISHKODAY PROPERTY Corporate Status

LAURION Mineral Exploration Inc. is a small-cap, mid-stage junior exploration and development company focused primarily on its wholly owned 44.2km² (10,027ac.) flagship 'brown field' Ishkoday Gold Polymetallic Project. (See link to Ishkoday Property Map - <http://laurion.ca/investors/image-gallery/#&gid=1&pid=1>)

The Ishkoday Project is located 220km NE of Thunder Bay and 28km NE of Beardmore and conveniently straddles Highway 801. The Ishkoday property has favourable year-round access and proximity to all services, including grid power and water supply, which management believes translates to lower exploration and development costs.

The Corporation has a property-wide database of 283 diamond drill holes totalling 40,729m, detailed sampling, mapping, assays, geochemical analyses, ground geophysics and an extensive GIS database.

LAURION's objective is to validate and quantify a bulk precious and base metal environment. LAURION's drilling and sampling work to date has produced a comprehensive geological model forming a solid foundation of evidence for validation.

EXPLORATION OUTLOOK

In Q2-2019, LAURION completed a series of Orthophotos covering all of the Ishkoday and UAV-MAG (Drone) Survey completing 91km at 100m line spacings, and 96km at 50m line spacings.

LAURION met its objective of the Stage 2 Exploration Program, by completing mechanized outcrop stripping, power washing, channel sampling and geological mapping of the 7 outcrops. (See link to Trench Location Map - <http://laurion.ca/investors/image-gallery/#&qid=1&pid=3>)

Pending channel assay results from the remaining 400m by 400m central portion of the CRK Zone Sulphide, Oxide-Sulphide and Quartz veins are expected later in the Q4-2019, and include the CRK SE (Trench #54) segments.

Core re-logging continues of key previous LAURION drill holes from across Ishkoday to re-evaluate the rock units, structures, alteration and mineralization, and eventually complete additional core sampling to ensure continuous assaying of the entire drill core for the evaluation of the bulk gold potential.

Laurion is currently integrating its large data base of 8 geophysical data sets to deliver a geophysical inversion data set. LAURION's geophysical data is best interpreted in tight integration with the geological data. The most practical and effective geophysical forward modelling and inversion, 3-D geological modelling is combined, and visualization technology is generated to achieve meaningful, business-focused results. LAURION's geological goals for geophysical surveys in our mineral exploration is used to identify potential targets, to understand the larger scale stratigraphy and structure in which a deposit might be located, or delineate finer scale detail in an existing deposit. (See link of a TMI geophysical survey showing veins, mineralized structures trenches and drill holes - <http://laurion.ca/investors/image-gallery/#&qid=1&pid=4>)

LAURION will also complete a geostatistical analyses (vectoring) in order to complete 2-D and 3-D modelling which will be instrumental in contributing to the 2-D and 3-D modelling and providing valuable data for targeting for the next phase of exploration which will be the 3,000 to 5,000 metre drill program.

LAURION believes that one of the keys to the gold mineralization at Ishkoday is the presence of intrusive rocks, the likely heat source driving both the precious and base metals mineralization.

LAURION's work to date has interpreted the presence of a 5km wide gold bearing structural corridor which appears to be a deformation zone, the Ishkoday Deformation Zone ("IDZ"). This new shear/deformation zone on Ishkoday is an apparent new splay from the Paint Lake Shear/Deformation Zone (the "PLDZ"). The new Break is similar to the PLDZ, and to other gold bearing deformation zones such as in the Abitibi Greenstone Belt: the Destor Porcupine ("DPDZ") and Cadillac Larder Lake Deformation Zone ("CLLDZ"), which host major gold deposits.

This major kilometeric long and wide northeast-southwest structural corridor encompasses most of the known precious and base metal mineralization at Ishkoday of the main 5km by 1km Target Area (refer to the Corporation's news releases dated December 4, 2018 and February 14, 2019 and link <http://laurion.ca/investors/image-gallery/#&qid=1&pid=5>).

Mineralization is open along strike to the east-northeast and west-southwest; and is open at depth down-plunge beyond 650m as indicated from the historic Sturgeon River Mine development and production.

The Stage 2 Field Exploration Program

The Stage 2 Campaign forms part of the 2018-2019 exploration initiated in May 2018 as a three-staged 18-month program with the strategic objective of outlining the precious and base metals upside potential at Ishkoday.

LAURION initiated mechanized outcrop stripping, power washing, channel sampling and geological mapping of the M22-23-24-25 Quartz Veins at TR18-3, the Sturgeon Nos. 1-2-3 Quartz Veins at TR19-1, the CRK Sulphide and A-2 Quartz Veins at TR19-2, and the Marge-“F”- “X” Quartz Veins at TR19-3, all part of the 3km by 1km Target Area (the “Target Area”), totalling of over 43,729m² and over 4,000 grab, channel and geochemical samples. As a result of this work, LAURION now believes that the Loki Trend extends from the historic Miron Showing to the northeast, then successively encompassing towards the southwest the Garvey, “A” Zone, “D” Zone, McLeod, CRK, Joe and Tehya Showings, increasing the size of the precious and base metals Target Area from the original 3km by 1km to 5km by 1km. The Loki Trend itself is 400m wide.

Highlights From the Stage 2 Field Exploration Completed in Q3-2019

The M24 Vein

Partially stripped in 2018, the northeast trending M24 portion of TR18-3 was fully exposed at surface by recent stripping and washing, and channel sampled with 231 samples taken. The M24 measures more than 100m in length and is more than 3m wide, tapering off at the extremities to under 30cm, but remains open at both ends before disappearing under the overburden. Additional secondary centimeter wide parallel and perpendicular quartz veining occur on both sides of the M24 for several meters in a heavily sheared (nearest the M24), iron carbonate and pyrite-bearing porphyry host at the southwestern end of the Sturgeon River Porphyry (the “Porphyry”).

The M24 is part of a swarm of major northeast-southwest trending gold-bearing quartz veins at the southwest end of the Porphyry, that includes the M21, M22, M23 M24 and M26 Quartz Veins (the “M24 Quartz Vein System or M24 QVS”) along with additional secondary (for now) quartz veins and shears of different sizes and trends. The M24QVS extends some 425m in length by 245m wide, and remains open.

Eighty (80) of the 231 channel samples came from the M24 Quartz Vein are from the altered, quartz veined and pyrite-bearing Porphyry surrounding the vein (“Shear”), and 144 are from the host generally unaltered Porphyry (“QFP”). Fifty-seven (57) of the 231 channel samples contain \geq 0.10 g/t gold with 38 coming from the “M24”, 3 are from the “shear”, and 8 from the “QFP”, where it is altered quartz veined and pyrite-bearing.

Significant composite interval results are as follows:

- 2.76 g/t gold over 2.15m (Line 2);
- 0.97 g/t gold over 3.03m (Line 16);
- 5.49 g/t gold over 1.70m (Line 17);
- 6.20 g/t gold over 1.35m (Line 25);
- 2.59 g/t gold over 5.76m (Line 35P);
- 1.11 g/t gold over 6.23m and 0.46 g/t gold over 9.18m (Line 39P);and,
- 1.25 g/t gold over 3.21m (Line 41P).

- Significant individual assay results above 1 g/t gold include: M24
- 9.63 g/t gold over 0.59m (Line 2);
- 9.27 g/t gold over 0.20m (Line 4);
- 2.27 g/t gold over 0.70m (Line 11);
- 16.35 g/t gold over 0.55m (Line 17);
- 2.81 g/t gold over 1.00m (Line 21);
- 10.60 g/t gold over 0.62m (Line 22);
- 1.13 g/t gold over 0.40m (Line 23);
- 12.00 g/t gold over 0.29m (Line 31);
- 9.81 g/t gold over 1.26m (Line 35P*);
- 1.65 g/t gold over 1.38m and 3.30 g/t gold over 0.97m (Line 39P*); and,
- 1.76 g/t gold over 1.21m, 1.22 g/t gold over 0.97m and 2.03 g/t gold over 1.03m (Line 41P*).

Shear

- 7.92 g/t gold over 0.35m (Line 16)

QFP

- 9.99 g/t gold over 0.83m (Line 25);and,
- 1.87 g/t gold over 1.65m (Line 26).

Assay Results from Metallic Screening from the M24 Vein

Metallic screening assays on 87 channel samples of the M24 Vein was completed. The most significant individual assay results from the M24 (refer to the Corporation's news release dated August 1, 2019) yielded the following:

- 9.63 g/t gold over 0.59m (Line 2);
- 16.35 g/t gold over 0.55m (Line 17);
- 10.60 g/t gold over 0.62m (Line 22); and,
- 9.81 g/t gold over 1.26m (Line 35P).

The most significant composite interval results were:

- 5.49 g/t gold over 1.70m (Line 17);
- 6.20 g/t gold over 1.35m (Line 25); and,
- 2.59 g/t gold over 5.76m (Line 35P).

The No. 3 Quartz Vein

The No. 3 quartz vein ("QV") was mined between 1936 and 1942. Of significance is the strike of 200m in length of the ore grade shoot within the No. 3 vein at surface, which increases at depth.

The No. 3 QV extends at surface some 425m in length by 245m wide, and remains open. Underground workings were reported to extend the No. 3 QV gold mineralization up to approximately 500m in width.

At 530m depth, the ore shoot reaches a strike length of 466m. At around the 460m, two other veins intersect the No.3 QV (No. 10 and the "M" veins). This validates the suggestion of the potential for this well-mineralized structure to widen along strike and at depth.

The No. 3 QV is shown as a single vein on historical maps, but LAURION's stripping and sampling at TR19-1 has established that the No. 3 QV is actually a swarm of interconnected, anastomosing quartz veins oriented in two main directions: one north-south, the other northeast-southwest. The 010-015° trending No. 3 QV of TR19-1 was fully channel sampled with 394 samples taken. The No. QV measures 150m in length and varies between a few centimeters to more than 50 cm wide but remains open at both ends before disappearing under the overburden. Additional secondary

centimeter wide parallel quartz veining occur on both sides of the No. 3 QV for up to 20m of exposed stripped outcrop in quartz veined as quartz veinlets stockwork and a sulphide-bearing porphyry host at the south central end of the Sturgeon River Porphyry (the "Porphyry").

(See link for No. 3 QV south <http://laurion.ca/investors/image-gallery/#&gid=1&pid=20>). Significant composite interval results of No 3 QV south are as follows:

- 3.60 g/t gold over 3.21m (Line 5-L1);
- 1.95 g/t gold over 3.26m (Line 5-L2);
- 9.30 g/t gold over 2.90m (Line 5-L3);
- 1.40 g/t gold over 3.41m (Line 5-L5);
- 2.34 g/t gold over 2.95m (Line 5-L8);
- 3.46 g/t gold over 2.43m (Line 5-L11);
- 4.04 g/t gold over 2.94m (Line 5-L15);
- 1.77 g/t gold over 2.30m (Line 5-L17); and,
- 4.14 g/t gold over 2.69m (Line 5-L21).

In-vein sampling was completed parallel to the vein contact to determine a more accurate gold grade of the No. 3 QV South. Composite interval results are as follows:

- 47.61 g/t gold over 7.95m (5-L26P);
- 92.58 g/t gold over 12.98m (5-L27P);
- 79.64 g/t gold over 4.18m (5-L28P); and,
- 14.85 g/t gold over 9.45m (5-L29P).

(See link for image of composites for the No. 3 QV South - <http://laurion.ca/investors/image-gallery/#&gid=1&pid=21>). The average width of the 3 Vein South is 0.09m

Highlights for No. 3 QV North and significant composite interval results are as follows:

- 3.75 g/t gold over 2.49m (Line 23-L2);
- 1.01g/t gold over 1.87m (Line 23-L5);
- 0.91 g/t gold over 2.33m (Line 23-L6);
- 34.00 g/t gold over 2.13m (Line 23-L17);
- 19.46 g/t gold over 1.75m (Line 23-L18);
- 16.33 g/t gold over 1.64m (Line 23-L19);
- 1.43 g/t gold over 2.90m (Line 23-L20);
- 12.39 g/t gold over 5.51m (Line 23-L21);
- 3.56 g/t gold over 2.89m (Line 23-L22); and,
- 3.54 g/t gold over 3.79m (Line 23-L24).

Refer to the Image of the No.3 QV North (<http://laurion.ca/investors/image-gallery/#&gid=1&pid=22>).The average width of the 3 Vein North is 0.19m.

Assay results from 2019 compare favorably with channel sampling from 1986 as reported by Phoenix Gold Mines (1988). Individual assay results taken directly on the 3 Vein ranged from trace to 240.00 g/t gold over 0.04m to 0.57m. However, 8 of 12 individual channel samples from the same segments of perpendicular and parallel in-vein sampling of the No. 3 QV North and South show extreme disparities in gold assay results, such as on Line 5-L7 with 0.96 g/t gold versus 99 g/t gold, respectively suggesting a significant "gold nugget effect" just as at the M24 Quartz Vein.

Sample rejects from 59 individual channel samples from the 3 Vein have been re-analyzed using the Metallic Screening method to help mitigate the nugget effect.

No.1, No. 2, 8/11, M23 and M25 Quartz Veins

LAURION's channel assay results from the 2019 sampling on limited surface exposure of the Nos. 1-2 and No. 8/11 Quartz Veins yielded for the No.1 Quartz Vein located 50m to 60m west of the 3 Vein: 17.35 g/t gold over 0.77m (channel sample #867274) on the No. 1A Quartz Vein and 12.36 g/t gold over 0.35m (#867229) on the No. 1B Quartz Vein;

The No. 2 Quartz Vein located 150m west of the No. 3 QV gave 3.35 g/t gold over 0.33m (#867448) and 4.34 g/t gold over 1.28m (#867456);

The No. 8/11 Quartz Vein located 140m east of the No. 3 QV gave 1.34 g/t gold over 0.51m (#867188). Less than 1% of the actual quartz veins were sampled due to glacial gouging of veins creating deep 3m plus deep cavities in the highly sheared host rock, as well as stripping restrictions of the historic mine site infrastructure.

Further highlights of results:

- 12.36 g/t gold over 0.35m and 17.35 g/t gold over 0.77m (No.1 Quartz Vein);
- 4.34 g/t gold over 1.28m (No. 2 Quartz Vein);
- 8.84 g/t gold over 0.46m (M23 Quartz Vein); and,
- 3.43 g/t gold over 0.46m (M25 Quartz Vein).

The 85 – A2 Quartz Vein

In 2018, LAURION's Stage 1 campaign selectively grab sampled the 85-A2 Quartz Vein system yielding 40.80, 43.00 and 1,185.00 g/t gold (refer to LAURION 's news release dated August 14, 2018), and is located a few meters southwest of the main "85-A2" Quartz Vein outcrop. Channel sampling confirmed the gold-bearing potential of the 85-A2 Quartz Vein with a selected assay result of 18.50 g/t gold over a 20cm width. A LAURION (2012) selective grab sample yielded 2.86 g/t gold on an adjacent subsidiary quartz vein.

The 18 northeast trending quartz veins belonging to the "85-A2" and the "A" Quartz Vein systems. These were historically channel sampled and assayed by Phoenix Gold (1988) as reported in 1986 Exploration Program Report, Sturgeon River Gold Mines Property, 34 pages, by L.O. Koskitalo, February 1988. (See link of map showing the Phoenix trench sampling 1984-85-86 quartz veins on the Ishkoday Property (<http://laurion.ca/investors/image-gallery/#&gid=1&pid=7>)

Selected historic gold assay intervals of the "85-A2" Quartz Vein system (Phoenix Gold, 1988) from stripped line T18-1 included:

- 13.41 g/t gold over a 168m length and 19 cm width, including 21.92 g/t gold over a 52m length and 14 cm width; and,
- 14.71 g/t gold over a 50m length and 23cm width; and 20.26 g/t gold (with visible gold) over a 20m length and, 20cm width from the Glory Hole Quartz Vein.

The quartz veins undulate and form anastomosing patterns. Selected historic gold assay intervals of the "A" Quartz Vein system (Phoenix Gold, 1988) included:

- 14.71 g/t gold over a 50m length and 23cm width ("A-2" Quartz Vein);
- 3.63 g/t gold over a 50m length and 25cm width ("A-5" Quartz Vein); and,
- 6.17 g/t gold over a 20m length and 95cm width ("A-4" Quartz Vein).

LAURION's 2019 channel samples assay results from the eastern 30m long segment of the known 285m length of the main "85-A2" Quartz Vein, yielding 81.80 g/t gold over 0.22m (channel sample #866565), 35.00 g/t gold over 0.39m (#866583) and 26.40 g/t gold over 0.55m (#866577).

The CRK Sulphide Oxide Veins

Trench #37

The 30m by 20m CRK West stripped outcrop #37 Trench exhibited several multiple veins and the A2 Quartz Veins. Veins yielded up to 1m @ 9.66 g/t gold, 14.6 g/t silver, 2.09% zinc, 0.30% copper in a single sample, and a composite interval of two samples giving 1.78m @ 4.34 g/t gold, 27.02 g/t silver, 4.27% zinc, 0.28% copper.

See further assay results from Trench #37 in press release dated September 12, 2019

The "SJ" Sulphide Vein – Trench #39

LAURION's channel samples assay results from the new 40m by 20m stripped South Central Segment (Trench #39) of the CRK Zone greater than 1 g/t gold and/or greater than 1% zinc are summarized in Table 1 below. Highlights are as follows:

- 1.11m @ 4.97 g/t gold, 8.00 g/t silver, 1.35% zinc, 0.20% copper, 0.04% lead;
- 1.06m @ 0.18 g/t gold, 45.69 g/t silver, 25.00% zinc, 0.03% copper, 6.21% lead; and
- 1.55m @ 0.72 g/t gold, 5.10 g/t silver, 2.19% zinc, 0.08% copper, 0.24% lead.

See further assay results from Trench #39 in Table 1 and Table 2 in press release dated September 18, 2019 and the image for Trench #39 on link <http://laurion.ca/investors/image-gallery/#&gid=1&pid=1>)

Trenches #56 and #65

LAURION's individual and composite interval channel samples assay results greater than 1 g/t gold and/or greater than 1% zinc from the combined 120m long by 10-15m wide #56-65 Trenches which features continuous Oxide-Sulphide and separate Quartz Veins ("A-2" Quartz Veins), located 200m north of the previously announced channel sample assay results from the SW Segment (Trench #39).

Highlights are as follows from Oxide-Sulphide Vein yielding:

- 3.25m @ 1.44 g/t gold, 6.37 g/t silver, 2.42% zinc, 0.08% copper, 0.01% lead; and
- 1.37m @ 1.39 g/t gold, 9.84 g/t silver, 3.68% zinc, 0.10% copper, 0.04% lead.
- Quartz Vein grading up to 0.76m @ 13.85 g/t gold, 5.20 g/t silver.

See further assay results from Trenches #56 and #59 in Table 1 and Table 2 in press release dated October 25, 2019 and images for Trench #56 North on link <http://laurion.ca/investors/image-gallery/#&gid=1&pid=16>, Trench #56 South <http://laurion.ca/investors/image-gallery/#&gid=1&pid=16>, and Trench #65 <http://laurion.ca/investors/image-gallery/#&gid=1&pid=19>)

Trench #36

Individual and composite interval channel samples assay results from the newly discovered sulphide (consisting of sphalerite, chalcopyrite and pyrite), magnetite-chlorite-actinolite-sulphide ("Oxide-Sulphide") and quartz veins in the central CRK Zone main segment, "Trench #36", greater than 1 g/t gold and/or greater than 1% zinc from the new 190m by 20m Trench #36.

These results further build on the previously released results in other trenches in the CRK Target zone (refer to the Corporation's news releases of September 12, September 24, October 18 and October 25, 2019).

Highlights from the 190m x 20m Trench #36 are as follows:

- 2.62m @ 0.84 g/t gold, 2.50 g/t silver, 5.23% zinc, containing a higher grade portion of 4.50 g/t gold, 13.10 g/t silver, 20.40% zinc over 0.30m, in a Sulphide Vein: and,
- 3.02m of 1.19 g/t gold, 2.30 g/t silver, with a higher grade portion of 9.14 g/t gold, 16.30 g/t silver over 0.27m, in a section of the "A-2" Quartz Vein.

The known length of the gold and base metal mineralization from the contiguous previously issued results of #56-65 Trenches and the current Trench #36 extend for a minimum 350m in a NE-SW trend. See further assay results from Trenches #36 in Table 1 and Table 2 in press release dated October 29, 2019 and image for Trench #36 North on link (<http://laurion.ca/investors/image-gallery/#&gid=1&pid=13>).

Azurite Trench #34

The massive sulphides in the Azurite Sector located 200m due NW of the Trench #36 was fully sampled over the exposed 13m length in 3 channel samples intervals yielding:

- 7.50m @ 0.90 g/t gold, 35.26 g/t silver, 5.71% zinc, 0.53% copper:
- 0.32 g/t gold, 26.14 g/t silver, 0.38% copper and 8.84% zinc over 4.37m;
- 44.87 g/t gold, 41.85 g/t silver, 0.43% copper and 4.14% zinc over 1.06m; and
- 0.90 g/t gold, 35.26 g/t silver, 0.53% copper and 5.71% zinc over 7.50m.

See further assay results from Azurite Trench #34 in Table 1 in press release dated October 24, 2019 and image for Trench #34 on link (<http://laurion.ca/investors/image-gallery/#&gid=1&pid=8>

Trenches #32 – 62

Trenches #32 – 62 constituted the fifth newly discovered sulphide (consisting of sphalerite, chalcopyrite and pyrite) and magnetite-chlorite-actinolite-sulphide ("**Oxide-Sulphide**") veins in the CRK Zone West segment.

Highlights Individual and composite interval channel samples from #32 assay results greater than 1 g/t gold and/or greater than 1% zinc from the new 90m by 20m Trench is as follows:

- 0.33m @ 7.15 g/t gold, 170.00 g/t silver, 11.95% zinc, 1.10% copper and 0.91% lead (sample 868076);
- 0.51m @ 0.73 g/t gold, 8.40 g/t silver, 13.95% zinc and 0.25% copper (868026); and

- 0.61m @ 0.68 g/t gold, 7.00 g/t silver and 10.45% zinc (867889).
- The adjacent Trench #62 assay results include:
 - 0.38m @ 1.07 g/t gold, 21.40 g/t silver, 30.00% zinc and 0.61% copper (869994);
 - 0.84m @ 0.63 g/t gold, 9.00 g/t silver and 10.95% zinc (867747); and
 - 0.55m @ 6.07 g/t gold, 11.30 g/t silver and 6.21% zinc (867796), all in the same combined NE-SW Sulphide and Oxide-Sulphide Vein.

Individual and composite interval channel samples assay results greater than 1 g/t gold and/or greater than 1% zinc from the new 90m by 20m #32-62 Trenches are summarized in Table1 in Press Release dated November 12, 2019 and image for Trench #32 on link <http://laurion.ca/investors/image-gallery/#&gid=1&pid=9>).

The above noted assay results increase the scope of our Ishkoday Project and, taken together with the known occurrences of gold in the historic Sturgeon River mine wallrocks, as documented earlier in results from the mine stockpile, confirm that we are likely in the upper reaches of a very substantial polymetallic mineralizing system which may extend to depths in excess of 600m.

MIDLOTHIAN PROPERTY

Location of the Midlothian Property

The Midlothian property consists of 11 claims (152 claim units) covering an area of approximately 2,432 hectares and is located 80km west-southwest of Kirkland Lake and 25km west-southwest of the town of Matachewan.

On July 22, 2014, the Corporation executed a Purchase and Sale Agreement with Kiska Metals Corporation ("Kiska") for the disposition of the Corporation's 51% interest in the Midlothian Project. The Corporation received \$25,000 cash payment plus the return of the 500,000 common shares of the Corporation held by Kiska. Pursuant to the agreement, the Corporation will also receive a 2.5% net smelter royalty with respect to precious metals and a 1.5% net smelter royalty with respect to all other metals. Kiska further agrees to incur a minimum of \$2,000,000 of mineral exploration expenditures on or before July 22, 2019 or may elect to make a cash payment equal to the difference between the \$2,000,000 and the actual mineral exploration expenditures incurred. Failure to do so will result in a 100% interest in the property reverting back to the Corporation and Kiska retaining a net smelter royalty of 1%. In addition, the Corporation is to receive \$500,000 upon completion of a mineral resource estimate of at least 500,000 gold equivalent ounces ("GEOs") and an additional \$1,000,000 upon the decision to commence the development and construction of a mine for the project.

In March 2016, Kiska announced that it had entered into an agreement ("Agreement") to sell the Midlothian Property to Canadian Gold Miner Corp. ("CGM"), a subsidiary of Transition Metals Corp.

Pursuant to this agreement, the Corporation will retain its 2.5% net smelter royalty with respect to precious metals and a 1.5% net smelter royalty with respect to all other metals.

Renegotiation of Arrangement with CGM on the Midlothian Property

The Midlothian Property is subject to certain agreements dated July 18, 2014 that were collectively assumed by CGM pursuant to an assignment agreement dated February 29, 2016 (the "Midlothian Agreement").

Due to some unsatisfied conditions, LAURION and CGM have agreed to terminate the Midlothian Agreement and in its place, enter into a joint venture (the "Joint Venture") for the purposes of extending the parties' arrangement regarding the Midlothian Property. The principal purpose of this arrangement was to advance the development and operate the mining of any commercially exploitable ore body on the Midlothian Property. The Joint Venture effectively extends and builds upon the Midlothian Agreement, which is replaced in its entirety by a new joint venture agreement dated July 25, 2019 (the "Joint Venture Agreement").

Joint Venture Highlights

Acquisition of 30% Interest in the Midlothian and Doon Properties: LAURION will reacquire a 30% interest in the Midlothian Property and also obtain a new 30% interest in certain mining claims located adjacent to the Midlothian Property in the Doon and Midlothian Townships (the "Doon Property" and together with the Midlothian Property, the "Property").

Work Expenditure Commitments on the Property and New NSR:

The Joint Venture provides CGM with additional time to satisfy its work expenditure commitments on the Property and reflects both parties' desire to ensure that maximum expenditures by CGM are directed into exploration activities at the Property. In the event that CGM completes \$2.5 million in expenditures on the Property and LAURION opts to be diluted down to a 10% ownership interest, then LAURION will receive a 3% net smelter returns royalty on the Property.

SUMMARY OF QUARTERLY RESULTS

The following information relates to the Corporation's eight most recently completed quarters. As noted above, the Resource Properties are not at the stage of commercial production and, therefore, the Corporation does not have a source of revenue.

Unaudited Statements for the Eight Last Quarters

| | Sept 30, 2019 (\$) | June 30, 2019 (\$) | MAR 31, 2019 (\$) | Dec 31, 2018 (\$) |
|-------------------------------------|-----------------------|-----------------------|----------------------|----------------------|
| Net Income (Loss) | (945,387) | (341,973) | (245,584) | 81,449 |
| Net Income (Loss) Per Share* | (0.006) | (0.003) | (0.002) | 0.001 |

| | Sept 30, 2018 (\$) | June 30, 2018 (\$) | MAR 31, 2018 (\$) | Dec 31, 2017 (\$) |
|-------------------------------------|-----------------------|-----------------------|----------------------|----------------------|
| Net Income (Loss) | (641,507) | (775,024) | (100,296) | (79,199) |
| Net Income (Loss) Per Share* | (0.004) | (0.005) | (0.001) | (0.001) |

*Note: The (Loss) Income Per Share is calculated using the weighted average number of Common Shares.

Analysis of Expenses

As the Corporation's business primarily involves mining exploration and development, the Corporation does not have a source of revenue and it remains impossible to determine the likelihood or estimated time frame for this to change.

The financial statements of the Corporation have been prepared using accounting policies applicable to a going concern, which contemplate the realization of assets and settlement of liabilities in the normal course of business as they fall due for the foreseeable future.

As at September 30, 2019, the Company had working capital of \$1,300,606 (December 31, 2018, a working capital deficit of \$77,272), and for the 9 months ended September 30, 2019, the Company incurred a loss of \$1,532,945 (2018 - \$1,516,727) and a cashflow deficit from operations of \$1,516,242 (2018 - \$913,130).

Related Party Transactions

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Corporation as a whole.

The Corporation determined that the key management personnel consist of the President, Chief Financial Officer and the Board of Directors.

Transactions with key management personnel are set out as follows:

| | For the Nine Months Ended | | Outstanding at | Outstanding at |
|----------------------------|---------------------------|--------------------|--------------------|----------------|
| | September 30, 2019 | September 30, 2018 | September 30, 2019 | |
| Management Fees | 115,220 | 149,157 | | |
| Exploration and Evaluation | 137,025 | 71,274 | | |
| Sub Total | 252,245 | 220,431 | 78,038 | 171,903 |
| Director bonus | 53,150 | – | – | – |
| Rent | 2,700 | 2,700 | – | – |
| TOTAL | 308,095 | 223,131 | 78,038 | 171,903 |

Settlement of Accounts Payable

After receiving approval from disinterested shareholders, on July 24, 2019, the Company issued 1,467,008 common shares at a deemed price of \$0.10 per common share to settle accounts payable of \$146,700 owed to a company controlled by a director and officer.

Loan Payable

The loan payable of \$24,000, which was owed to a company controlled by a director and officer, was unsecured, non-interest bearing and was due on demand. On July 25, 2019, the loan was repaid.

Off Balance Sheet Arrangements

The Corporation is not a party to any off-balance sheet arrangements or transactions.

Share Summary

As at September 30, 2019, there were 168,622,044 common shares issued and outstanding.

The Company's shares are listed on the TSX Venture Exchange under the symbol "LME" https://web.tmxmoney.com/quote.php?qm_symbol=LME Additional information related to LAURION Mineral Exploration Inc. is available on the Company's website at <http://laurion.ca/> or on SEDAR at www.sedar.com

Non-Brokered Private Placement of Flow-Through and Non-Flow Through Units

On April 26, 2019, the Company completed a private placement of 2,000,000 flow-through common shares at a price of \$0.10 per share for gross proceeds of \$200,000. In connection with a finder's fee for the private placement, the Company paid a cash commission of \$16,000 and issued 160,000 finder warrants entitling the holder to purchase one common share for \$0.13 until April 26, 2021.

On May 9, 2019, the Company completed a private placement of 10,000,000 units at a price of \$0.10 per unit for gross proceeds of \$1,000,000. Each unit consisted of one common share and one warrant entitling the holder to purchase one common share for \$0.14 until May 9, 2021. In connection with the private placement, the Company paid a cash commission of \$50,000 and issued 500,000 finder warrants entitling the holder to purchase one common share for \$0.14 until May 9, 2021.

On August 12, 2019, the Company completed the first tranche of a non-brokered private placement consisting of an aggregate of 2,916,666 units (the "Units") at a subscription price of \$0.12 per Unit for aggregate gross proceeds to the Corporation of \$350,000. Each Unit consists of one common share of the Corporation to be issued as a "flow-through share and one common share purchase warrant. Each Warrant entitles the holder thereof to acquire one non flow-through common share of the Corporation at a price of \$0.15 per share for a period of 24 months from the date of issuance.

On September 6, 2019, and further to July 24, 2019 and August 12, 2019 announcements, the Corporation completed its second and final tranche (the "Second Tranche") of the previously-announced non-brokered private placement (the "Private Placement") of flow-through units (the "Units"). Pursuant to the Second Tranche, the Corporation issued 5,416,667 Units at a price of \$0.12 per Unit for aggregate gross proceeds of \$650,000. Together with the first tranche of the Private Placement (the "First Tranche"), the Corporation raised \$1 million through the issuance of 8,333,333 Units. Each Unit consists of one common share of the Corporation and one common share purchase warrant. Each Warrant entitles the holder thereof to acquire one non flow-through common share of the Corporation at a price of \$0.15 per share for a period of 24 months from the date of issuance.

On September 30, 2019, the Company completed a private placement of 2,991,175 flow-through units at a price of \$0.17 per unit for gross proceeds of \$508,500. Each unit consisted of one flow-through common share and one warrant entitling the holder to purchase one common share for \$0.21 until September 30, 2021. In connection with the private placement, the Company paid a cash commission of \$510.

Subsequent Private Placement Events

On October 1, 2019, the Company announced that it had upsized due to strong investor demand and increased the maximum size of its previously announced non-brokered private placement (the “Private Placement”) to 2,994,118 units of the Corporation (the “Units”) at a price of \$0.17 per Unit for gross proceeds of up to \$509,000. Each Unit will consist of one common share of the Corporation and one Common Share purchase warrant, with each Warrant entitling the holder thereof to acquire one additional Common Share at a price of \$0.21 per share for a period of 24 months from the date of issuance.

On November 1, 2019, the Company announced that it has closed the first tranche of its previously-announced non-brokered private placement with the first tranche consisting of an aggregate of 2,368,438 units at a subscription price of \$0.19 per Unit for aggregate gross proceeds to the Corporation of \$450,000. Each Unit consists of one common share of the Corporation issued as a and one common share purchase warrant. Each Warrant entitles the holder thereof to acquire one non flow-through common share of the Corporation at a price of \$0.25 per share for a period of 24 months from the date of issuance.

Engagement of a Market Maker

On September 3, 2019, the Corporation retained Integral Wealth Securities Limited (“Integral”) to provide market-making services for the purposes of maintaining an orderly trading market and improving the liquidity of the Corporation’s common shares. The market-making service will be undertaken by Integral in compliance with the applicable policies of the TSX Venture Exchange and other applicable laws. Under the terms of their engagement, Integral will receive a monthly cash fee. Integral will not receive shares or options as compensation. The agreement will have a minimum term of 12 months. Following the 12-month anniversary of the agreement, LAURION may terminate the agreement on 30 days’ notice.

Stock Option Plan

Effective October 4, 2010, the Board adopted a new rolling 10% stock option plan (the “2010 Stock Option Plan”), which was ratified by the Shareholders on November 5, 2010 and approved by the TSXV. The 2010 Stock Option Plan replaced the Company’s previous incentive stock option plan, dated August 11, 2000, as amended and restated on March 3, 2004, June 20, 2005 and August 30, 2006 (collectively, the “2006 Stock Option Plan”). While all existing grants of options under the 2006 Stock Option Plan will continue to be exercisable in accordance with their terms, the 2010 Stock Option Plan will remain in effect and any subsequent option grants will be made pursuant thereto. Additional information in respect of the 2010 Stock Option is set forth below.

The purpose of the 2010 Stock Option Plan is to allow the Corporation to grant options to directors, officers, employees and consultants, as additional compensation and as an opportunity to participate in the success of the Corporation. The granting of such options is intended to align the interests of such persons with those of the shareholders. The 2010 Stock Option Plan will be administered by the Board or, in its discretion, a stock option committee consisting of not less than three members of the Board. It is anticipated that the Board will administer the 2010 Stock Option Plan with recommendations from the compensation committee of the Corporation (the “Compensation Committee”).

Pursuant to the 2010 Stock Option Plan, options will be exercisable over periods of up to ten years as determined by the Board. In addition, options are required to have an exercise price no less than the closing market price of the Corporation's shares prevailing on the day that the option is granted less a discount of up to 25%, the amount of the discount varying with market price in accordance with the policies of the TSXV.

Pursuant to the 2010 Stock Option Plan, the Board may from time to time authorize the issuance of options to directors, officers, employees and consultants of the Corporation and its subsidiaries or employees of companies providing management or consulting services to the Corporation or its subsidiaries. The number of Common Shares which may be issued pursuant to options granted under the 2010 Stock Option Plan will be a maximum of 10% of the issued and outstanding Common Shares at the time of the grant. Options granted under the 2010 Stock Option Plan will be subject to such vesting schedule as the Board may determine.

The terms and conditions of each option granted under the 2010 Stock Option Plan will be set forth in an option agreement entered into between the Corporation and each optionee (the "Option Agreement"), such agreement in the form appended to the 2010 Stock Option Plan. Each Option Agreement, among other things, sets out the number of options granted, their exercise price, vesting schedule and term.

Pursuant to the 2010 Stock Option Plan, if any participant who is a director, officer, employee or consultant of the Corporation or an affiliate shall cease to act in that capacity for any reason other than death or permanent disability, such participant's options will terminate on the earlier of the date of the expiration of the relevant date and 90 days after the date such participant ceases to be a director, officer, employee or consultant of the Corporation or any affiliate. The 2010 Stock Option Plan also provides that if a change of control, as defined therein in accordance with TSXV rules, occurs, all shares subject to option shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.

Options are non-assignable and non-transferable, although they are assignable to and may be exercisable by an optionee's legal heirs, personal representatives or guardians in certain cases.

Summary of Stock Options Outstanding as at September 30, 2019

| Grant Date | Expiry Date | Exercise Price (\$) | Number of Options | Exercisable Options |
|-------------------|-------------------|---------------------|-------------------|---------------------|
| December 31, 2010 | December 31, 2020 | 0.12 | 1,200,000 | 1,200,000 |
| December 31, 2011 | December 31, 2021 | 0.10 | 360,000 | 360,000 |
| December 31, 2012 | December 31, 2022 | 0.10 | 2,050,000 | 2,050,000 |
| | October 1, 2023 | 0.105 | 44,445 | – |
| December 31, 2013 | December 31, 2023 | 0.05 | 900,000 | 900,000 |
| December 31, 2014 | December 31, 2024 | 0.05 | 1,050,000 | 1,050,000 |
| April 6, 2017 | April 6, 2027 | 0.05 | 250,000 | 166,667 |
| June 15, 2018 | June 15, 2028 | 0.05 | 1,523,999 | 857,333 |
| May 15, 2019 | May 15, 2029 | 0.11 | 250,000 | 83,325 |
| June 24, 2019 | June 24, 2029 | 0.11 | 750,000 | 249,975 |
| July 16, 2019 | July 16, 2029 | 0.11 | 500,000 | 176,650 |
| September 9, 2019 | September 9, 2029 | 0.15 | 241,664 | 48,611 |
| TOTAL | | | 9,120,108 | 7,225,894 |

Grant of Incentive Stock Options

On September 6, 2019, the LAURION has granted incentive stock options to one of its directors, John Covello, to acquire a total of 241,664 common shares of the Corporation, exercisable on or before September 9, 2029 at an exercise price of \$0.15 per share, subject to vesting requirements. These stock options are part of a discretionary performance bonus awarded to Mr. Covello in recognition of his significant contributions to the Corporation's capital raising initiatives.

On October 10, 2019, LAURION granted 500,000 incentive stock options top Mr. Jean Lafleur to acquire a total of 241,664 common shares of the Corporation, exercisable on or before September 9, 2029 at an exercise price of \$0.19 per share, subject to vesting requirements. The stock options were granted on Mr. Lafleur appointment as VP Exploration to the Corporation.

On November 7, 2019, there were 1,425,334 stock options exercised for proceeds of \$116,267.

Summary of Outstanding Warrants

| Exercise Price | Expiry Date | Number of Warrants |
|----------------|--------------------|--------------------|
| \$0.07 | March 22, 2020 | 2,740,000 |
| \$0.09 | July 18, 2020 | 8,647,857 |
| \$0.12 | August 2, 2020 | 5,548,332 |
| \$0.12 | December 28, 2020 | 1,866,667 |
| \$0.13 | April 26, 2021 | 160,000 |
| \$0.14 | May 9, 2021 | 10,500,000 |
| \$0.15 | August 12, 2021 | 2,916,666 |
| \$0.15 | September 6, 2021 | 5,903,333 |
| \$0.21 | September 30, 2021 | 2,991,175 |
| | | 40,974,030 |

On August 12, 2019, the Corporation issued an aggregate of 2,916,666 warrants in connection with a first tranche of a non-brokered private placement of flow-through units at a price of \$0.15 per share for a period of 24 months from the date of issuance. The aggregate gross proceeds of this private placement was \$350,000.

On September 6, 2019, the Corporation issued an aggregate of 5,416,667 warrants in connection with a first tranche of a non-brokered private placement of flow-through units at a price of \$0.15 per share for a period of 24 months from the date of issuance. The aggregate gross proceeds of this private placement was \$650,000.

On October 1, 2019, the Corporation issued and aggregate of aggregate of 2,991,175 warrants in connection non-brokered private placement of units at a price of \$0.21 per share for a period of 24 months from the date of issuance. The aggregate gross proceeds of this private placement is \$509,000.

On November 1, 2019, the Corporation issued an aggregate of 2,368,438 warrants in connection with a first tranche of a non-brokered private placement of flow-through units at a price of \$0.25

per share for a period of 24 months from the date of issuance. The aggregate gross proceeds of this private placement was \$450,000.

THE CORPORATION AS A GOING CONCERN

The Corporation is in the process of exploring its flagship property, the Ishkoday Property. The Corporation has not yet determined whether the property contains economically recoverable resources. The recoverability of the carrying values of mineral exploration properties and deferred exploration costs is dependent upon the discovery of economically recoverable resources, the preservation of the Corporation's interest in the underlying patented leases and mineral claims, the ability of the Corporation to obtain financing necessary to continue the development of the Ishkoday Property, or any of its other properties, or alternatively upon the Corporation's ability to dispose of its interests on an advantageous basis.

These financial statements of the Corporation have been prepared using accounting policies applicable to a going concern, which contemplate the realization of assets and settlement of liabilities in the normal course of business as they fall due for the foreseeable future.

As at September 30, 2019, the Company had working capital of \$1,300,606 (December 31, 2018, a working capital deficit of \$77,272), and for the 9 months ended September 30, 2019, the Company incurred a loss of \$1,532,945 (2018 - \$1,516,727) and a cashflow deficit from operations of \$1,516,242 (2018 - \$913,130).

These financial statements do not reflect the adjustments to carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the going concern assumption was deemed inappropriate. These adjustments could be material.

The Corporation is a careful steward of the treasury and continues to actively pursue opportunities to access financing at this current time.

The resource sector has been subject to continued softening of commodity prices and a dramatic sell-off in equity markets, which has created a capital desert in the junior end of the capital market at levels not experienced in the resource sector the last 10 years.

Financing remains tough across the mining sector. The vast majority of exploration companies will continue to struggle with limited financing options and a general lack of investor interest.

Advanced juniors and mid-tier producers have been caught in the middle, exposed to a fragile balancing act between investors' thirst for yield and low tolerance of risk. There is some hope in the form of private capital investors who favour the juniors with more advanced projects.

In that respect, LAURION has been proactive and practically unique in its ability to have monetized all non-core assets to enable exploration focus on its primary Ishkoday discovery property, delaying and minimizing the need for equity injections. To date, LAURION has garnered \$6.35 million from the successful monetization of several projects over the last 9 years.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) COMPLIANCE AND ADOPTION

These financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB").

These financial statements have been approved by the Board of Directors on November 25, 2019.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

On January 1, 2019, the Company adopted the following amendment to standards: IFRS 16, Leases ("IFRS 16").

This standard replaces IAS 17, Leases. IFRS 16 provides an updated definition of a lease contract, including guidance on the combination and separation of contracts. The standard requires lessees to recognize a right-of-use asset and a lease liability for substantially all lease contracts. The accounting for lessors is substantially unchanged from IAS 17.

The adoption of this accounting standard had no impact on the condensed interim consolidated financial statements as the Company is not a party to any leases.

FINANCIAL INSTRUMENTS

A. Fair Value

The carrying value of cash and investments is measured at fair value as they are classified as FVTPL ("Fair Value Through Profit and Loss"). Trade and other payables are classified as other financial liabilities, which are measured at amortized cost which approximates fair value due to the short-term nature of these financial instruments. Other receivables are classified as loans and receivables, which are measured at amortized cost which approximates fair value due to the short-term nature of these financial instruments. Fair value represents the amount that would be exchanged in an arm's length transaction between willing parties and is best evidenced by a quoted market price, if one exists.

The methods and assumptions used to develop fair value measurements, for those financial instruments where fair value is recognized in the balance sheet, have been prioritized into three levels as per the fair value hierarchy included in IFRS. Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities. Level two includes inputs that are observable other than quoted prices included in level one. Level three includes inputs that are not based on observable data. Cash and investments are considered to be level 1 under the fair value hierarchy.

B. Credit Risk

Credit risk is the risk of loss associated with a counterpart's inability to fulfil its payment obligations. The Corporation's credit risk relates to cash and other receivables. Cash is held with a reputable financial institution and is closely monitored by management. The Corporation's maximum credit exposure is \$1,424,678 at September 30, 2019 (December 31, 2018 - \$224,785). Management believes the credit risk with respect to cash is not significant.

C. Liquidity Risk

Liquidity risk refers to the risk that the Corporation will not be able to meet its financial obligations when they become due. The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they become due.

For the year ended September 30, 2019, cash used in operations by the Corporation was \$1,515,242 (2018 - \$913,130). The Corporation has not generated revenue from operations.

The Corporation has no income and relies on equity financing to support its exploration program. Additional financing is required to fund the related operating expenses required to manage the Corporation through the fiscal year of 2018. Management prepares budgets and ensures funds are available prior to commencement of any exploration program.

D. Capital Disclosures

It is anticipated that at some point during 2019 the Corporation will incur capital expenditures on its resource property. The Corporation is in good standing with current planned work on its resource property.

The Corporation's focus is to place the Corporation in a better financial position in order to; i) to aggressively explore and develop its flagship property; ii) to continue to retain exploration and development consultants GeoVector Management Inc.; and lastly iii) to increase shareholder value with the continued success the Corporation has realized on the Ishkoday Property.

In the event that additional capital is required to finance the exploration of the resource property, it is expected that any capital raised by the Corporation will be by way of an equity financing, likely in the form of a private placement, or to consider financing growth through unique commodity financing alternatives to debt and equity.

The properties in which the Corporation currently has an interest are in the exploration stage; as such the Corporation is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Corporation will spend its existing working capital and raise additional amounts as needed.

The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Corporation's management to sustain future development of the business. The Corporation does not have any externally imposed capital requirements. There were no changes in the Corporation's approach to capital management during the year ended March 31, 2019 or 2018.

E. Contingencies and Commitments

The Corporation has a contract for consulting services with AquinTerra Inc. a company wholly owned by the President of the Corporation. Consulting services include, but are not limited to, accounting consultation, administrative personnel services, administrative management, corporate development, investor relations and exploration services.

The Corporation is required to make minimum annual payments to AquinTerra in the amount of \$225,000.

The Corporation is also required to make minimum annual payment to Marlborough Management Limited in the amount of \$63,600 for management and accounting services.

The Corporation is party to certain consulting contracts that provide for aggregate contingent payments of up to approximately \$337,500 to AquinTerra upon termination or the occurrence of a change of control. As a triggering event has not taken place, the contingent payments have not been reflected in the financial statements.

The Corporation raised flow-through funds of \$350,000 on August 12, 2019, \$650,000 on September 6, 2019 and \$508,500 on September 30, 2019. These funds are restricted exclusively to fund Canadian exploration expenses incurred and at September 30, 2019, \$1,042,892 remains to be spent before the end of 2020.

F. Environmental Contingencies

The Corporation's exploration and evaluation activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Corporation has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Additional information about LAURION Mineral Exploration Inc. can be obtained from the Corporation's website at www.LAURION.ca, by visiting the SEDAR public documents site at www.sedar.com or by contacting:

Cynthia Le Sueur-Aquin, President of the Corporation, at:
LAURION Mineral Exploration Inc.
40 King Street West, Suite 5800
Toronto, Ontario M5H 3S1
Tel: 705 788-9186
Fax: 705 805-9256
email: clesueuraquin@LAURION.ca